

**HB**

**132**

<TARGET><BILL>HB 132</BILL><SUBJECT>HB  
132</SUBJECT><COMM>HTRA30</COMM></TARGET>

# ALASKA STATE LEGISLATURE

## REPRESENTATIVE ADAM WOOL

Session: January - April  
State Capitol, Room 412  
Juneau, AK 99801-1182  
Phone: 907-465-6879

- Chair: Transportation, Energy
- Vice Chair: Labor & Commerce
- Member: State Affairs

Interim: May - December  
1292 Sadler Way, Ste. 308  
Fairbanks, AK 99701  
Phone :907-452-6084



Official Business

### House Bill 132 Sponsor Statement

*"An Act relating to transportation network companies and transportation network company drivers."*

House Bill 132, the *Let's Ride Alaska Act*, brings Alaska into the digital age of for hire transportation services which are provided in forty-seven other states. It also diversifies Alaska's economy by giving Alaskans the chance to earn extra money. HB 132 does all of this by allowing rideshare companies to operate in Alaska, also known as "transportation network companies" (TNC).

TNC's have revolutionized how people get around in cities and towns all over the world by allowing the rider to simply login to an app and request a ride at the tap of a screen. Cost is predetermined, so there's no embarrassing scrambling for a couple extra dollars when you come up short on a greater fare than expected. Once the request is made, the driver can select to pick the rider up already knowing their destination with directions built right in. After the trip is made, the transaction is cashless, then both the rider and driver can rate their experience using the platform.

HB132 provides clarity in statute to ensure safety, reliability, and cost-effectiveness of rides provided by TNC drivers in the state, and preserve and enhance access to these important transportation options for residents and visitors of Alaska.

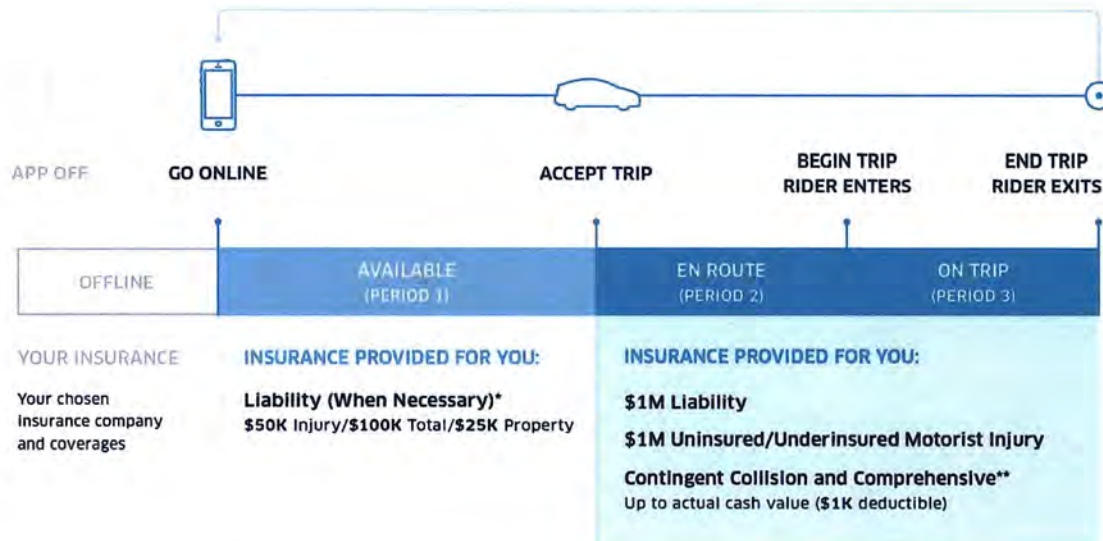
Much like taxi cab drivers, TNC drivers are exempt from the Alaska Workers' Compensation Act and are classified as independent contractors. They maintain their own schedule, their own vehicle, and can even work for a competing company if choose. Rideshare drivers typically work during times of peak demand, when there simply are not enough taxis to supply the demand.

If you've ever been stuck in the bitter cold Alaskan weather without a cab in sight or needed one but no one was willing to drive to where you're located, then you can appreciate why ridesharing technology will be a valuable asset to Alaska and its residents.

Thank you for your support of this legislation.

*If you have any questions please contact my aide, Laura Stidolph, (907) 465-4976.*

## INSURANCE FOR RIDESHARE DRIVERS WITH UBER



\* We maintain automobile liability insurance on your behalf if you do not maintain applicable insurance of at least this amount.

\*\* Pays for damage to your vehicle if you maintain auto insurance that includes collision coverage for that vehicle.

Note: Additional coverage will be provided where required by state and local laws. At least this much coverage is provided in all US states for drivers while operating personal vehicles under the transportation network company model.

Since February 2013, Uber has offered ridesharing (also known as Transportation Network Company or "TNC" services) as the lowest-cost, on-demand transportation alternative. Bringing uberX and uberPOOL with ridesharing to market in the U.S. and Puerto Rico has also required robust insurance coverage. Uber's insurance coverage for ridesharing in the U.S. and Puerto Rico includes as of March 2016:

- **\$1 million of liability coverage per incident.** Uber holds a commercial insurance policy with \$1 million of coverage per incident. Drivers' liability to third parties is covered from the moment a driver accepts a trip to its conclusion. This policy is expressly primary to any personal auto coverage (however, it will not take precedence over any commercial auto insurance for the vehicle). We have provided a \$1 million liability policy since commencing ridesharing in early 2013.
- **\$1 million of uninsured/underinsured motorist bodily injury coverage per incident.** In December 2013, we also added uninsured/underinsured motorist coverage. In the event that another motorist causes an accident with a rideshare vehicle and the motorist doesn't carry adequate insurance, this policy covers bodily injury to all occupants of the rideshare vehicle. This is important to ensure protection in a hit and run.
- **Contingent comprehensive and collision insurance.** If a ridesharing driver holds personal comprehensive and collision insurance this policy covers physical damage to that vehicle that occurs during a trip up to the actual cash value of the vehicle, for any reason, with a \$1,000 deductible.
- **No fault coverage (e.g., Personal Injury Protection)** is provided in certain states at similar levels as limos or taxis in those cities.
- **\$50,000/\$100,000/\$25,000 of coverage between trips.** During the time that a ridesharing partner is available but between trips, most personal auto insurance will provide coverage. However, if the driver does not have applicable coverage, we maintain a policy that covers the driver's liability for bodily injury up to \$50,000/individual/accident with a total of \$100,000/accident and up to \$25,000 for property damage. This policy meets or exceeds the requirements for 3rd party liability insurance in every state in the U.S.

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### HB132 Sectional Analysis

*"An Act relating to transportation network companies and transportation network company drivers."*

- Section 1: Describes legislative intent of the bill is to clarify the Alaska Workers' Compensation Act and its relationship to transportation network company drivers.
- Section 2: Amends AS.96 by adding a new section 21.96.018 relating to transportation network company insurance provisions. Allows for automobile insurance writers to exclude any driver who is logged onto the digital network of a transportation network company or while a driver provides a ride.
- Section 3: Amends AS 23.30.230(a) to exclude transportation network company drivers from the Alaska Workers' Compensation Act.
- Section 4: Amends AS 23.30.230(c) by adding the definitions for "digital network," "prearranged ride," "transportation network company," and "transportation network company driver."
- Section 5: Amends AS 28 by adding a new chapter, Chapter 23, Transportation Network Companies and Drivers  
AS 28.23.010. Provides that transportation network company or driver is not a common carrier and may not provide taxicab or for-hire services and that they may not be required to register as a commercial or for-hire vehicle.  
AS 28.23.010. Relates to fares collected by transportation network companies for services.  
AS 28.23.030. Governs identification required for transportation network vehicles and drivers.  
AS 28.23.040. Requires electronic receipts.  
AS 28.23.050. Sets insurance requirements for transportation network companies and drivers.

AS 28.23.060. Requires transportation network companies to provide automobile insurance disclosures to drivers.  
AS 28.23.070. Requires that transportation network companies to file a certificate of insurance with the division of insurance.  
AS 28.23.080. Provides that transportation network companies are not employers and that drivers are independent contractors, not employees.  
AS 28.23.090. Requires implementation of zero tolerance drug and alcohol policy.  
AS 28.23.100. Sets transportation network company driver requirements.  
AS 28.23.110. Relates to mandatory rules and policies governing non-discrimination and accessibility.  
AS 28.23.120. Provides for maintenance of records.  
AS 29.23.180. Provides definitions for the chapter.  
AS 28.23.190 States that the short title of the chapter may be cited as the "Transportation Network Companies Act."

Section 6: Amends AS 29.10.200 to add paragraph (66), adding AS 29.35.148 (regulation of transportation network company or drivers) as home rule prohibitions on acting otherwise.

Section 7: Amends AS 29.35 by adding AS 29.35.148, which provides that the authority to regulate transportation network companies and transportation network drivers is reserved to the state.

# Fiscal Note

State of Alaska  
2017 Legislative Session

Bill Version: HB 132  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: HB132-DCCED-DOI-02-17-17  
Title: TRANSPORTATION NETWORK COMPANIES  
Sponsor: WOOL  
Requester: (H) TRA

Department: Department of Commerce, Community and  
Economic Development  
Appropriation: Insurance Operations  
Allocation: Insurance Operations  
OMB Component Number: 354

**Expenditures/Revenues**

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2018 Appropriation Requested	Included in Governor's FY2018 Request	Out-Year Cost Estimates					
			FY 2018	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
<b>OPERATING EXPENDITURES</b>								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
<b>Total Operating</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Fund Source (Operating Only)**

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Positions**

Full-time							
Part-time							
Temporary							

**Change in Revenues**

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Estimated SUPPLEMENTAL (FY2017) cost:** 0.0 *(separate supplemental appropriation required)*  
*(discuss reasons and fund source(s) in analysis section)*

**Estimated CAPITAL (FY2018) cost:** 0.0 *(separate capital appropriation required)*  
*(discuss reasons and fund source(s) in analysis section)*

**ASSOCIATED REGULATIONS**

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No  
If yes, by what date are the regulations to be adopted, amended or repealed? N/A

**Why this fiscal note differs from previous version:**

Not applicable, initial version.

Prepared By: <u>Lori Wing-Heier, Director</u>	Phone: <u>(907)465-2515</u>
Division: <u>Insurance</u>	Date: <u>02/17/2017 12:00 PM</u>
Approved By: <u>Catherine Reardon, Director</u>	Date: <u>02/17/17</u>
Agency: <u>Division of Administrative Services, DCCED</u>	

FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2017 LEGISLATIVE SESSION

BILL NO. HB132

**Analysis**

This legislation defines the insurance requirements for transportation network company (TNC) drivers. It clearly delineates when a driver's personal automobile policy is covering the driver's vehicle, and the requirements when a driver is logged into a TNC network or proving a prearranged ride.

Automobile insurers may exclude personal vehicle policies for a driver while they are logged into a transportation network company (TNC) network. This legislation exempts TNC drivers from registering their personal vehicle as a commercial vehicle. This legislation requires a TNC to maintain primary automobile insurance recognizing the driver as a TNC driver used to transport passengers for compensation, and that covers the driver while the driver is logged into a digital network of a company or while they are engaged in a prearranged ride. Insurance required under Title 28 may be placed with an insurer licensed under AS 21.09.060 or with a surplus lines insurer under AS 21.34 with a credit rating not lower than A-.

There is no anticipated fiscal impact to the Division of Insurance.

# Fiscal Note

State of Alaska  
2017 Legislative Session

Bill Version: HB 132  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: HB132-DOA-DMV-02-19-17  
Title: TRANSPORTATION NETWORK COMPANIES  
Sponsor: WOOL  
Requester: (H) TRA

Department: Department of Administration  
Appropriation: Motor Vehicles  
Allocation: Motor Vehicles  
OMB Component Number: 2348

**Expenditures/Revenues**

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2018 Appropriation Requested	Included in Governor's FY2018 Request	Out-Year Cost Estimates				
			FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
<b>OPERATING EXPENDITURES</b>	<b>FY 2018</b>	<b>FY 2018</b>					
Personal Services	72.3		72.3	72.3	72.3	72.3	72.3
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>72.3</b>	<b>0.0</b>	<b>72.3</b>	<b>72.3</b>	<b>72.3</b>	<b>72.3</b>	<b>72.3</b>

**Fund Source (Operating Only)**

1005 GF/Prgm (DGF)	72.3		72.3	72.3	72.3	72.3	72.3
<b>Total</b>	<b>72.3</b>	<b>0.0</b>	<b>72.3</b>	<b>72.3</b>	<b>72.3</b>	<b>72.3</b>	<b>72.3</b>

**Positions**

Full-time	1.0		1.0	1.0	1.0	1.0	1.0
Part-time							
Temporary							

**Change in Revenues**

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Estimated SUPPLEMENTAL (FY2017) cost:** 0.0 (separate supplemental appropriation required)  
(discuss reasons and fund source(s) in analysis section)

**Estimated CAPITAL (FY2018) cost:** 0.0 (separate capital appropriation required)  
(discuss reasons and fund source(s) in analysis section)

**ASSOCIATED REGULATIONS**

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? yes  
If yes, by what date are the regulations to be adopted, amended or repealed? 01/01/20

**Why this fiscal note differs from previous version:**

Not applicable. Initial version.

Prepared By: <u>Marla Thompson, Director</u>	Phone: <u>(907)269-5574</u>
Division: <u>Motor Vehicles</u>	Date: <u>02/18/2017 01:30 PM</u>
Approved By: <u>Sheldon Fisher, Commissioner</u>	Date: <u>02/19/17</u>
Agency: <u>Department of Administration</u>	

FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2017 LEGISLATIVE SESSION

BILL NO. HB 132

**Analysis**

HB 132 amends Title 28 by establishing a new chapter, AS 28.23, that will govern the establishment of transportation network companies (TNC), fares, financial responsibility, disclosures, driver requirements, records and definitions.

AS 28.23 will also allow insurance companies to exclude coverage of an owner or operator of a personal vehicle for any loss or injury while the driver is logged into a digital network of a transportation network company such as Uber or Lyft. The new chapter will also provide definitions for digital network, personal vehicles, prearranged ride, transportation network company, driver and rider.

Per 28.20.050(a) drivers are required to submit a certificate of insurance form if they are in an accident where the damages are greater than \$501. If the driver was logged into a network during a crash, and was covered by the TNC, DMV would receive an electronic notification from the TNC like many commercial companies do. Additionally, DMV will need to develop and promulgate regulations to administer this program as DMV currently does not have any in place.

Cost to DMV

Due to the usage and growth of Uber and Lyft in the continental USA it is anticipated that several Alaska residents will opt to provide this service. To properly administer this new program DMV is requesting a Motor Vehicle Customer Service Representative II, range 12 to work with the transportation network companies to verify insurance coverage of drivers involved in accidents and explain regulations to customers who are providing this service. As this service grows DMV anticipates additional staff may be required for this work.

# Fiscal Note

State of Alaska  
2017 Legislative Session

Bill Version: HB 132  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: HB132-DOLWD-WC-02-17-17  
Title: TRANSPORTATION NETWORK COMPANIES  
Sponsor: WOOL  
Requester: (H) LAC

Department: Department of Labor and Workforce Development  
Appropriation: Workers' Compensation  
Allocation: Workers' Compensation  
OMB Component Number: 344

**Expenditures/Revenues**

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2018 Appropriation Requested	Included in Governor's FY2018 Request	Out-Year Cost Estimates					
			FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
<b>OPERATING EXPENDITURES</b>								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
<b>Total Operating</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Fund Source (Operating Only)**

None								
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Positions**

Full-time								
Part-time								
Temporary								

**Change in Revenues**

None								
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Estimated SUPPLEMENTAL (FY2017) cost:** 0.0 *(separate supplemental appropriation required)*  
*(discuss reasons and fund source(s) in analysis section)*

**Estimated CAPITAL (FY2018) cost:** 0.0 *(separate capital appropriation required)*  
*(discuss reasons and fund source(s) in analysis section)*

**ASSOCIATED REGULATIONS**

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No  
If yes, by what date are the regulations to be adopted, amended or repealed?

**Why this fiscal note differs from previous version:**

Not applicable, initial version.

Prepared By: Marie Marx, Director  
Division: Workers' Compensation  
Approved By: Heidi Drygas, Commissioner  
Agency: Department of Labor and Workforce Development

Phone: (907)465-6060  
Date: 02/17/2017 12:00 PM  
Date: 02/17/17

FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2017 LEGISLATIVE SESSION

BILL NO. HB 132

**Analysis**

This legislation adds an exemption to the Workers Compensation Act for transportation network drivers.

There is no action required by the department resulting from this legislation; therefore, there is no fiscal impact to the department anticipated.



**GENERAL  
TEAMSTERS  
LOCAL 959  
STATE OF ALASKA**

*Affiliated with the International Brotherhood of Teamsters*  
Rick Boyles, Secretary-Treasurer  
520 E. 34th Ave., Suite 102, Anchorage, Alaska 99503  
Phone (907) 751-8501 • Fax (907) 751-8599

February 21, 2017

Honorable Louise Stutes, Co-chair  
Honorable Adam Wool, Co-chair  
House Transportation Committee  
State Capitol  
Juneau, AK 99801

RE: House Bill 132- Transportation Network Companies and Drivers

Dear Representatives Stutes and Wool:

After reviewing HB 132, legislation that creates a foundation allowing Transportation Network Companies (TNC) and their drivers to operate in the state of Alaska, we want to go on record opposed to the bill in its current form.

Teamsters Local 959 is a statewide union and we represent workers in almost every industry in over 250 different classifications such as truck drivers, airline pilots, engineers, land surveyors, miners, telecommunication, nurses, bus drivers, construction workers, etc. As such, protecting workers, worker rights and benefits, is our job. We work with our employers to assure our members have health benefits, pension, safe work environment, and are treated with dignity and respect.

The Teamsters believe it is important to protect all worker rights whether it is safety on the job through OSHA, nurses overtime legislation, overtime laws and Workers' Compensation, to list a few. No worker plans to be injured on the job, but if they are the employee and their family should be protected. Reviewing many cases in the lower 48, and having spoken with some of the Uber drivers in Washington State, it seems these drivers should be considered employees of the company. When Uber operated out of Anchorage for a brief period of time, the Department of Labor & Workforce Development found their drivers were employees and fined them for not paying Workers' Compensation. Uber paid the fine but then stopped operating in Anchorage. It has been stated by some that taxi cab drivers are exempt from AS 23.30.230(a) and therefore the TNC drivers should be also. We would point out that under the statute not all taxi cab drivers are exempt and the communities around the state are able to set their own regulations depending on the needs. With respect to insurance Uber provides insurance for the customer and they also have control over all the rules and regulations that govern the drivers. That is not the case with a taxi driver.

In the city of Seattle the drivers are organizing and it was not without a battle. Their company spent millions of dollars fighting the proposed legislation and is now challenging it in court. Some of the complaints from the drivers included reduced hours,

inability to earn a living wage (pay cut by 15%), unfair terminations (app would be disabled if drivers spoke out), insurance pooling, company required expensive car upgrades, and fairness and respect issues; all of which are common employee issues.

In summary, HB 132 should recognize drivers of any TNC as an employee not an independent contractor. It is a special carve out for TNC's that sets bad public policy for workers in our state. The bill:

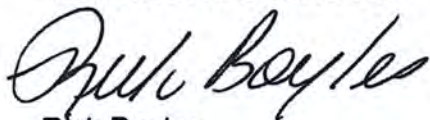
- Significantly diminishes the established criteria used by the State of Alaska to determine whether an individual is an employee or independent contractor, specifically the ABC test AS 23.20.525(a)(8)(A-C);
- Creates an unfair advantage for TNC companies;
- Allows an industry to write its own workplace standards as opposed to requiring compliance with established standards that equitably balances the rights between both workers and employers;
- Diminishes the revenue the state will see from Employer contributions for unemployment insurance and Workers' Compensation;
- Weakens the definition of what constitutes an "employee" for certain companies, opening the door for "Worker Misclassification" issues and allow bad actors into the industry;
- Deprives workers of a minimum hourly wage;
- Allows TNC's, some worth over \$39 billion, to void all worker protections and pay little towards our state economy.

On behalf of working people in our state, especially those who are unrepresented, we ask that the existing work rules be enforced. These rules are intended to protect workers and important state programs. We ask that HB 132 be amended to protect workers, especially the drivers for these TNC's.

Your time and consideration of this matter is greatly appreciated.

Sincerely,

TEAMSTERS LOCAL 959



Rick Boyles  
Secretary-Treasurer

Copy: Representatives Claman, Drummond, C.Kopp, Neuman and Sullivan-Leonard

# UBER 101

EVOLVING THE WAY THE WORLD MOVES

## 1 REQUEST



RIDERS SET THEIR LOCATION, AND GET AN ESTIMATED ARRIVAL TIME AND A FARE ESTIMATE BEFORE BOOKING

## 2 RIDE



RIDERS GET DRIVER INFORMATION LIKE NAME, MODEL, LICENSE PLATE AND RATING BEFORE THE CAR ARRIVES

## 3 RATE



RIDERS RECEIVE AN EMAIL RECEIPT AFTER EVERY TRIP. INSTANT TWO-WAY FEEDBACK KEEPS QUALITY HIGH

**PUSH A BUTTON AND GET A RIDE - IN MINUTES.**

Uber's innovative technology platform connects riders with drivers in over 65 countries around the world.

Uber is the safe, reliable and affordable choice for millions of people every day.

## UBER DELIVERS MORE

### RIDER SAFETY



Riders are given a driver's information upfront. They can track their route on a live map and share trip details with others through the Share My ETA feature. Every trip on the Uber platform is covered by automobile liability insurance.

### ECONOMIC OPPORTUNITIES



More than a million people have signed up to make supplemental income while driving on the Uber platform. Uber is a flexible option for individuals who want to set their own schedules and be their own boss.

### CONGESTION RELIEF



Uber complements public transit by reaching underserved neighborhoods and offering consumers an affordable alternative to car ownership. Innovative products like uberPOOL help cities reduce congestion and carbon emissions.

### DRIVER SAFETY



Uber is committed to providing driver-partners with a safe working environment. There are no anonymous pick-ups. We also ask drivers to rate passengers to ensure maintain our quality experience standards.

### REAL-TIME GPS



We use GPS satellites to map and follow every trip in real time, enabling live responses and detailed records of every transaction. GPS provides accurate directions for drivers and eliminates the risk of fare-cheating.

### ENHANCED TOURISM



Visitors can relax because they know that a safe, reliable and affordable ride is available when they land in a new city. Uber takes the stress out of travel with a familiar, easy to use service with a standard electronic payment option.

## Safety with Uber

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Uber is a smartphone app that gets people from A to B at the push of a button. New technology has enabled Uber to build safety into our service from beginning to end: before a passenger even gets into the car, throughout the journey and after they have reached their destination.

### 24/7 door-to-door service, available 365-days a year

- With Uber, there's no need for people to walk around late at night to find a parked car, search for a taxi or the nearest bus stop. The car comes directly to passengers within minutes, wherever they are in the city.
- Uber helps to reduce drunk driving by providing a reliable, affordable way to get home at night when public transport may be limited. In California, drunk driving related deaths have fallen by 5% since Uber started.

### Know your driver and their car

- When passengers request a ride with Uber, they see their driver's name, photo and average rating, as well as the licence plate number and make of the vehicle.
- As a result passengers are able to clearly identify the right car before getting in.
- Drivers who use the Uber app undergo a thorough screening process to ensure they are fit to drive passengers around the city.



### You're on the map the entire journey

- All Uber rides are GPS-tracked from start to finish. Drivers and passengers know that there is a record of the journey should something happen. This creates accountability, which is lacking in many other forms of transportation, such as the bus, metro or a traditional taxi.
- Passengers can see their route, and the location of their car, in the app throughout the journey. This means they can see that their driver is headed the right way.
- Passengers can share the details of each individual trip in real time, including their route and estimated arrival time, with family or friends.

### Two-way accountability

- Passengers and drivers rate each other after every ride. They can also easily provide feedback via our app. Our safety team reviews this information and suspends rider/driver accounts when anything dangerous or inappropriate is reported. Unsafe drivers or riders are removed permanently from the platform.
- If something happens during a ride, whether it's a traffic accident or a lost purse in a car, our customer support team is ready to help 24/7.
- Uber has the records—route taken, length of journey, driver and rider information—which it can share with law enforcement if necessary. A law enforcement response team is also on call to work with police 24/7.
- We believe that technology can help ensure safety in new ways, including on the road. While a driver is online, we use GPS, accelerometer and gyroscope information from the smartphone to help improve driving behavior. For example, we can inform drivers about indicators of harsh braking, hard acceleration, and speeding as well as send them reminders about the importance of mounting their phone to the dashboard.



**Driver screenings**

Before a person is allowed to drive with Uber in the United States, we complete a screening process that requires an applicant's full name, date of birth, social security number, driver's license number, a copy of his or her driver's license, vehicle registration, vehicle insurance, and a valid bank account.

To run the screenings, we work with Checkr, a third party background check provider accredited by the National Association of Professional Background Screeners. Checkr runs a social security trace to identify addresses associated with the potential driver, and then checks the potential driver's driving and criminal history in a series of national, state and local databases. These include the US Department of Justice National Sex Offender Public Website, the PACER database, and several databases used to flag suspected terrorists.

Upon identifying a potential criminal record, Checkr sends an individual to review the record in-person at the relevant courthouse or, if possible, pulls the record electronically. These screenings use information that is maintained by national, state and county level authorities, whose processes may vary by jurisdiction. By verifying potential criminal records at the source—the courthouse records— we can help ensure that we are checking the most up-to-date records available.

The purpose of these screenings is to identify offenses and other information that may disqualify potential drivers from using Uber. Our disqualification criteria may vary by jurisdiction according to local laws, and includes major and minor driving violations such as DUI and speeding, as well as convictions for violent, sexual, and driving-related crimes.

# Key Benefits of Ridesharing

## Riders



### Time Savings

Eliminates the need for cash; services may store payment information.



### Scheduling & Tracking

Plan your rides online and receive electronic notifications of ride reservations.



### Technology-based

They incorporate technologies that have become commonplace including smartphones and social networks to request, schedule, and pay for rides near your location.



### Simple

Sign up for an account, download an app, enter payment and location information to receive a customized or scheduled ride within minutes.



### Cost of Living Savings

People who do not rely on personal vehicles eliminate gas, parking, insurance, and other costs.



### Convenient

Pre-scheduled rides come to you when you need them or pick one up at a convenient location near you.



### Budget-friendly

The cost of a ride share or TNC ride may be less than other taxis and riders might receive price quotes ahead of time, and post-ride receipts by email for your records.

## Drivers



### Flexibility

Work with flexible hours.



### Provides Income

Drivers may receive income from passengers who schedule rides with them.



### Energy-efficient

Pre-scheduled rides saves energy and helps the environment by reducing time spent looking for passengers.



### Reduces Traffic Congestion

Fewer people rely on personal vehicles, reducing drive times and traffic, also leading to more business in period of time.



### Lower Transportation Cost

Less cars on the road means reduced gas expense and consumption and less energy spent on transportation.

COONEY & CONWAY

# PBOT

**PORTLAND BUREAU OF TRANSPORTATION**

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**Steve Novick** Commissioner **Leah Treat** Director

## **Portland's Private for-Hire Transportation Market: Summary Report of the PFHT Innovation Pilot Program**

I am pleased to submit a detailed report analyzing taxi and Transportation Network ridership during the first four months of Portland's Private for-Hire Transportation Innovation Pilot Program.

In January 2015, I convened a 12-member community Task Force to provide guidance and recommendations about how the City of Portland's Private for-Hire Transportation (PFHT) regulatory program should evolve and respond to new developments in the industry, including the entry of transportation network companies (TNCs). It is critical that the City provide necessary safeguards and standards to protect consumers, ensure accessibility for all, and allow for a fair, competitive market for drivers and companies throughout the PFHT industry.

Following a presentation of regulatory recommendations from the Task Force and a great deal of public input, Council approved the PFHT Innovation Pilot Program with revised regulations for taxi companies and new rules that allow for TNCs. The Portland Bureau of Transportation is managing and overseeing the Pilot Program, which began in April 2015.

The following status report includes trip pattern data from May to August 2015. Data collection is a critical component of the Pilot. PFHT Program staff worked collaboratively with taxi companies, Transportation Network Companies and industry experts to analyze ridership data to better understand trip trends and PFHT market patterns. Program staff also collect data to ensure compliance with all PFHT regulatory requirements. Data points collected and analyzed include trip date, time, origin and destination, wait time for vehicles, duration of the trip, wheelchair accessible service availability, and unfulfilled rides.

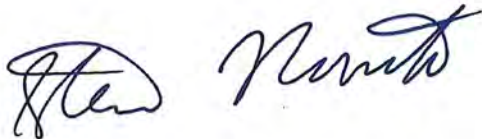


The Portland Bureau of Transportation fully complies with Title VI of the Civil Rights Act of 1964, the ADA Title II, and related statutes and regulations in all programs and activities. For accommodations and additional information, contact the Title II and Title VI Coordinator at Room 1204, 1120 SW 5th Ave, Portland, OR 97204, or by telephone (503) 823-2559, City TTY (503) 823-6868, or use Oregon Relay Service: 711.

Additionally, this report includes an overview of transportation options in Portland for people with disabilities, which have historically been limited and challenging to access. These challenges are widely known and experienced in the disability community—in Portland and throughout the U.S.—and have also been highlighted as we evaluate PFHT service and regulations. Coupled with the 25th Anniversary of the Americans with Disabilities Act, which was passed by Congress in July 1990, I am hopeful that additional attention to transportation accessibility will result in much needed improvements to transportation options for people with disabilities.

Lastly, I want to thank members of the PFHT Innovation Task Force who spent more than 700 hours since January 2015 soliciting public input, reviewing current PFHT regulations and developing thoughtful and creative new PFHT service requirements that ensure public safety, improve transportation options for consumers and create a fair, competitive market for companies and drivers.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Novick". The signature is written in a cursive style with a large, stylized "S" and "N".

Commissioner Steve Novick  
City of Portland, Oregon

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## 1. INTRODUCTION

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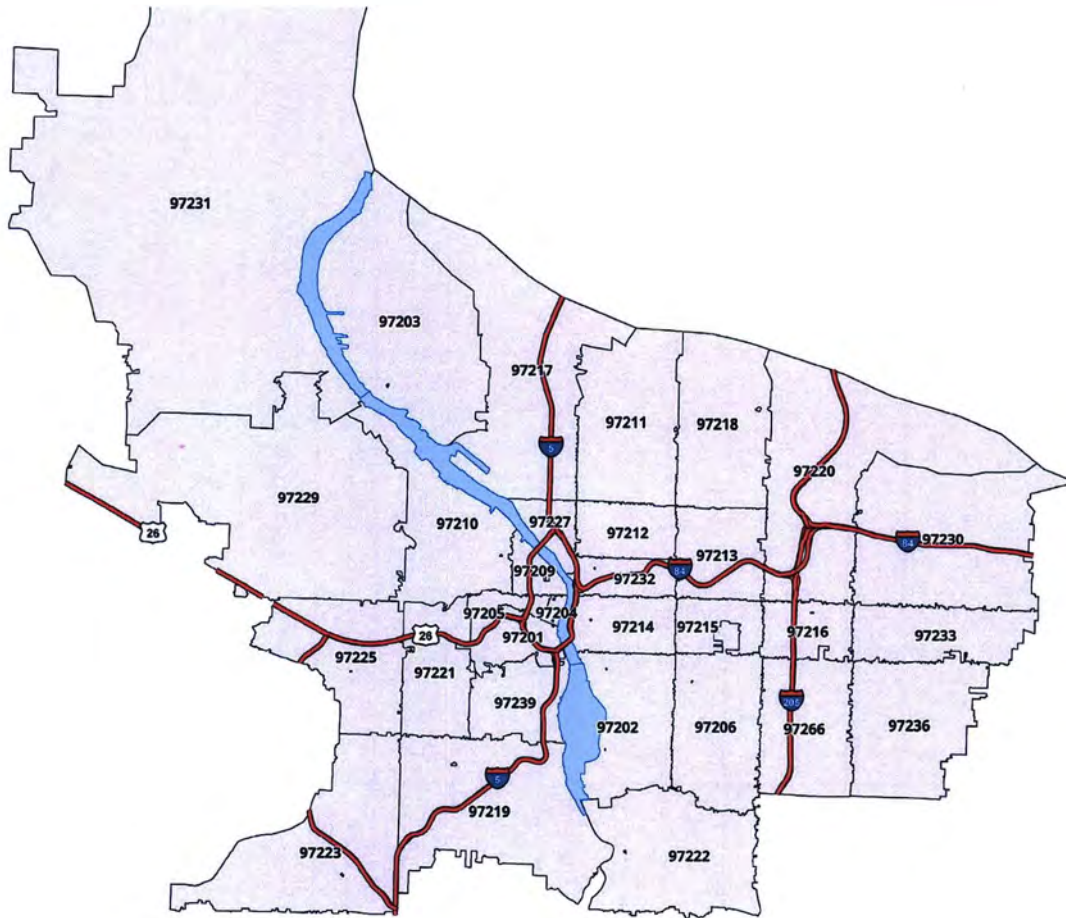
Responding to changes in the Private for-Hire Transportation (PFHT) market and changes in consumer demand, the Portland City Council initiated the PFHT Innovation Pilot Program that established new regulations for taxi companies and transportation network companies (TNCs). The Pilot Program officially began on April 24, 2015 and required permitted taxi companies and TNCs to report aggregated, anonymized ridership data for analysis by the Portland Bureau of Transportation. This report analyzes data received from Portland's new TNCs, Uber and Lyft, as well as from Portland's taxi companies (with the exception of EcoCab that began operating after the start of the Pilot Program):

- Broadway Cab
- Green Cab
- New Rose City Cab
- Portland Taxi Cab Company
- Radio Cab
- Sassy's Cab (owned by Broadway Cab)
- Union Cab

In order to accurately evaluate both industries, this report uses data from trips that originated between May 1st and August 31st. In comparing taxi and TNC ridership patterns, it is important to understand the different types of taxi and TNC trips that are analyzed in this report, and the reporting capacity of the different companies. All TNC trips must be requested through a TNC smartphone app and rides are provided on-demand by the nearest TNC driver. Taxi service may similarly be requested on-demand through a taxi's dispatch service (via telephone or, for some, via a smartphone app), but may also be pre-arranged through advance reservation. Taxi companies also have the exclusive ability to accept immediate street-hails and queue in any of the 46 designated taxi stands throughout the city, which TNCs are prohibited from doing.

Because TNCs process all of their records through a central database, all data records submitted by TNCs were complete, and represent the full population size of the rides given. The ability for taxi companies to report data for the performance metrics in this report was dependent on their dispatching system, which often left records missing or incomplete. Despite these missing data points, the number of complete records submitted represented a very large sample size from which PBOT could confidently extrapolate to represent the entire taxi industry in Portland.

# CITY OF PORTLAND MAP



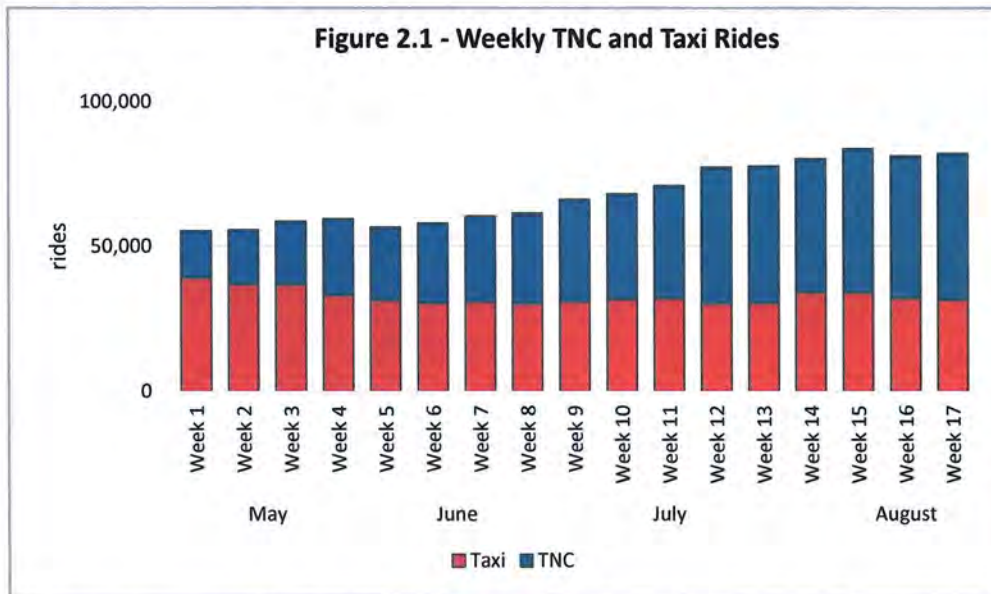
ZIP Code	Neighborhood	ZIP Code	Neighborhood
97201	Downtown   PSU   South Waterfront	97219	Burlingame   Tryon-Stevens
97202	Sellwood   Eastmoreland	97220	Montavilla   Hazelwood   Parkrose
97203	St. Johns   University Park	97221	Sylvan
97204	Downtown Core	97222	Milwaukie   Southgate
97205	Goose Hollow   Downtwon Core	97223	Raleigh Hills   Metzger
97206	Brentwood   Woodstock   Mt. Scott   Foster-Powell	97225	West Slope
97209	Pearl   Old Town	97227	Overlook   Boise   Eliot
97210	Northwest   Hillside	97229	Forest Park   NW Heights
97211	Woodlawn   Concordia	97230	Hazelwood   Russell   Wilkes
97212	Irvington   Alameda	97231	Forest Park   Linnton
97213	Rose City Park   Roseway	97232	Kerns   Lloyd
97214	Buckman   HAND   Sunnyside   Richmond	97233	Hazelwood   Centennial
97215	Mt. Tabor	97236	Pleasant Valley   Powellhurst   Centennial
97216	Montavilla   Hazelwood	97239	Hillsdale   South Portland   Homestead
97217	Overlook   Kenton   Piedmont   Haden Island	97266	Lents   Powellhurst
97218	Cully   Airport		

## 2. DATE & TIME TRIP PATTERNS

During the first four months (May through August) of the Pilot Program, Portland's permitted taxi companies and transportation network companies (TNCs) provided over 1 million rides to customers. These ridership patterns reflect growing consumer demand for for-hire transportation service within the Portland Metro area. While taxi companies and TNCs offer similar services, unique ridership patterns between the two company types are reflected in the trip data analyzed within this report.

Ridership among the two new entrants into Portland's PFHT market, Uber and Lyft, took off dramatically in the first four months of their operation in the City. In this short period of time, TNC ridership increased by 125% from May to August. Ridership among taxi companies, on the other hand, decreased by 16% from May to August. Combined, overall ridership in the Portland market increased by almost 40% between May and August.

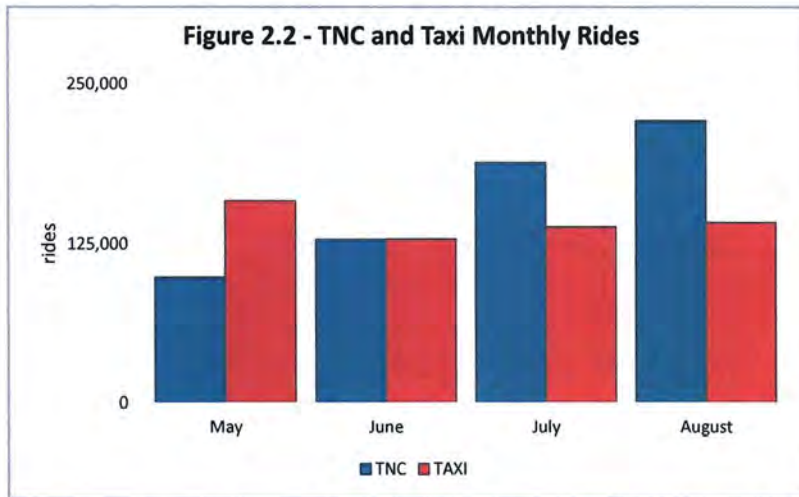
Of the more than 1 million trips that were provided between May and August 2015, 52% were provided by TNCs and 48% were provided by taxi companies. Early in the Pilot Program, taxi service accounted for 70% of the market share of for-hire ridership (see Figure 2.1). However, by mid-June, TNC ridership increased to account for half of the market share of ridership. Ridership among the two TNCs continued to increase and by the end of August, TNCs held 60% of the market share while taxis held 40%.



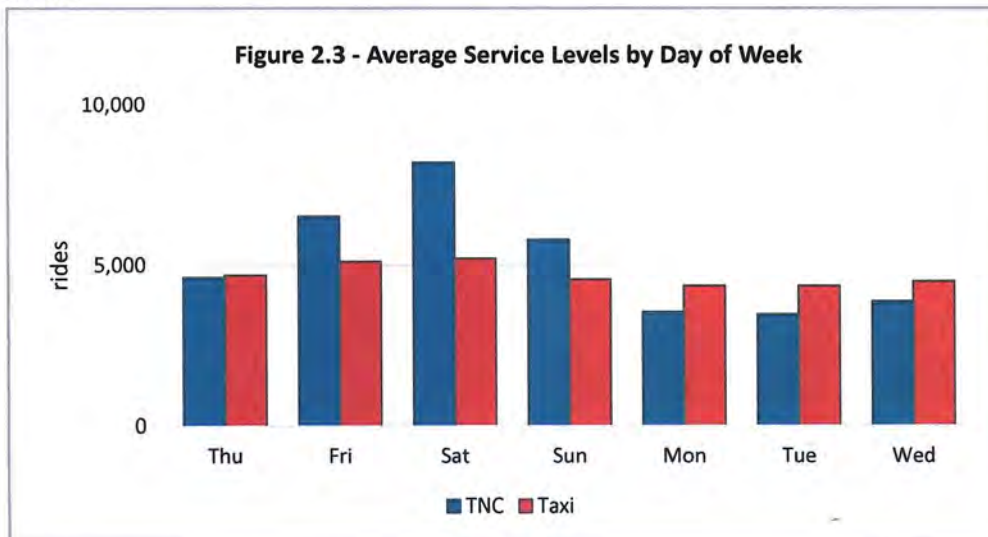
This increase can reasonably be attributed to several factors. Most notably, these numbers strongly suggest that prior to the PFHT Innovation Pilot Program, consumer demand for paid transportation services far outpaced the available supply of taxicabs in Portland. Four months into the Pilot, aggregated ridership data suggests that consumer demand is being better served

with the addition of new taxi vehicles, new taxi companies, and transportation network companies. Portland’s PFHT market is likely to continue to adjust to consumer demand, service supply, and other factors. More long-term market impacts will be reflected in subsequent PFHT reports.

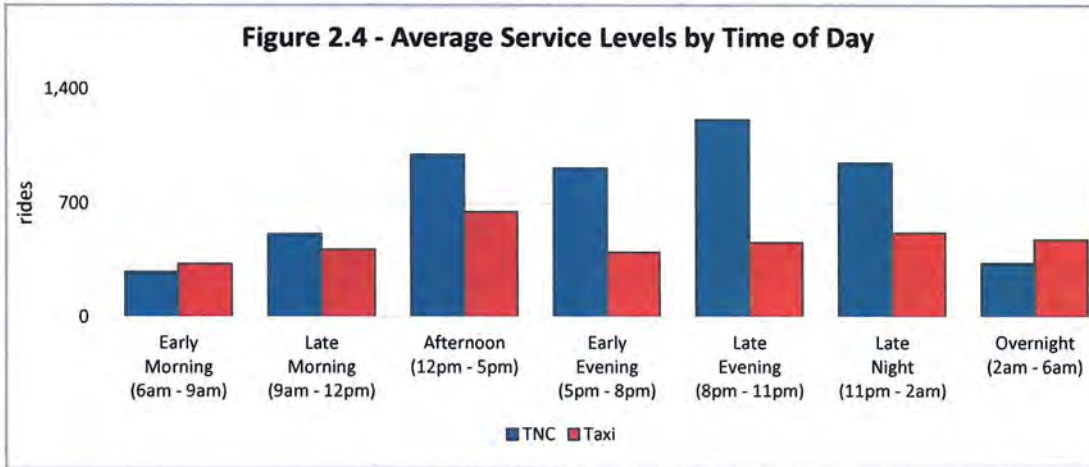
Figure 2.2 displays the change in ridership between taxi companies and TNCs by month. At the beginning of the Pilot Program in May, taxis provided an average of 5,500 rides per day compared to the daily average of 2,300 TNC rides. However, TNC ridership expanded and soon began to outpace the average daily taxi ridership. By the end of August, TNCs provided a daily average of over 8,000 rides and taxi ridership declined to an average of 4,500 rides per day. Again, overall ridership increased and by August, 100,000 more rides were fulfilled than were in May.



Distinct ridership patterns among taxis and TNCs can be seen by comparing weekend (Friday-Sunday) and weekday (Monday-Thursday) trip trends in Figure 2.3, below. Ridership was generally higher on weekends for both taxis and TNCs. These higher weekend ridership trends were clearly pronounced for TNCs, whereas taxi ridership was less varied between weekdays and weekends.



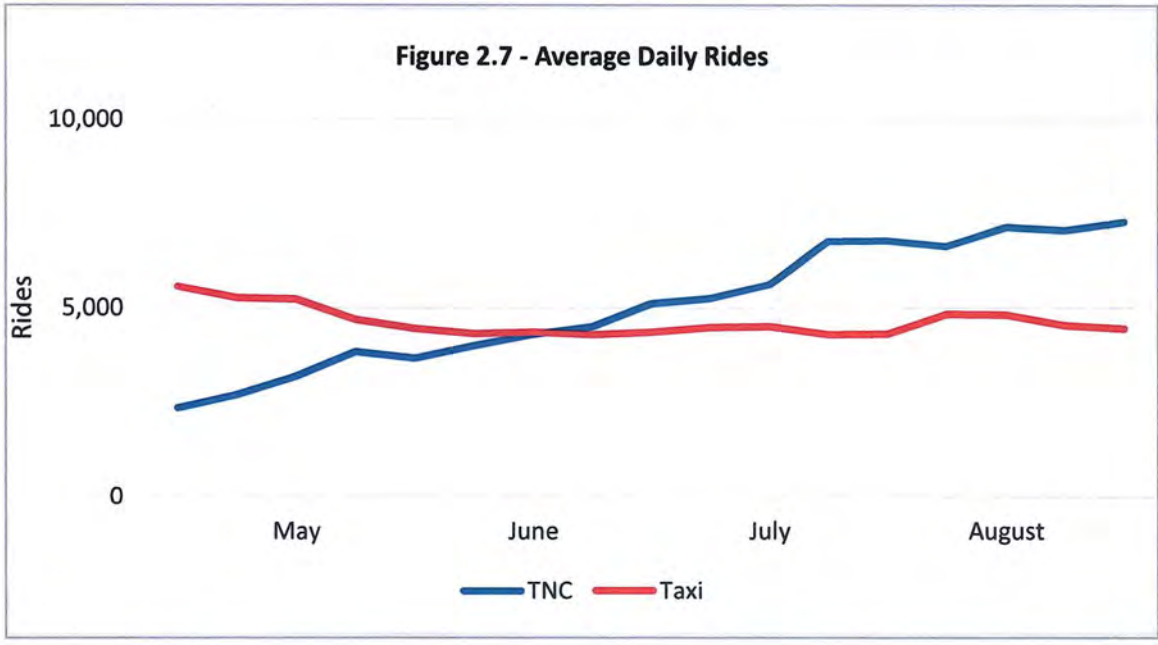
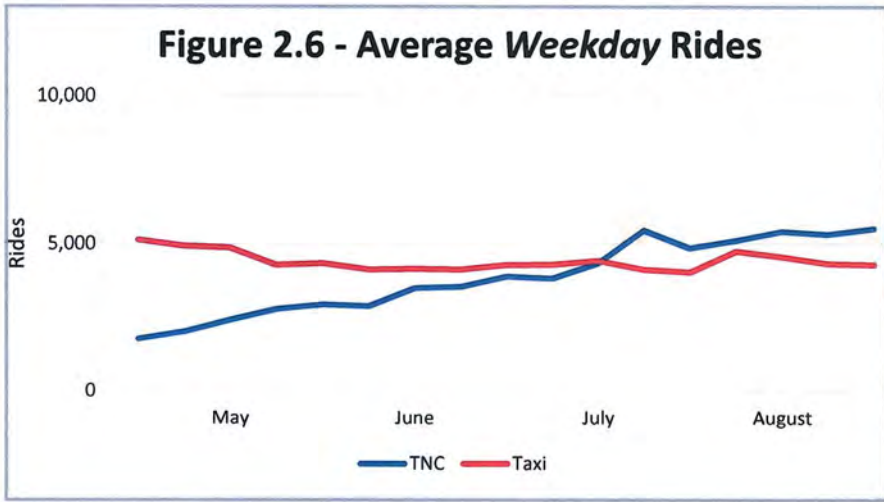
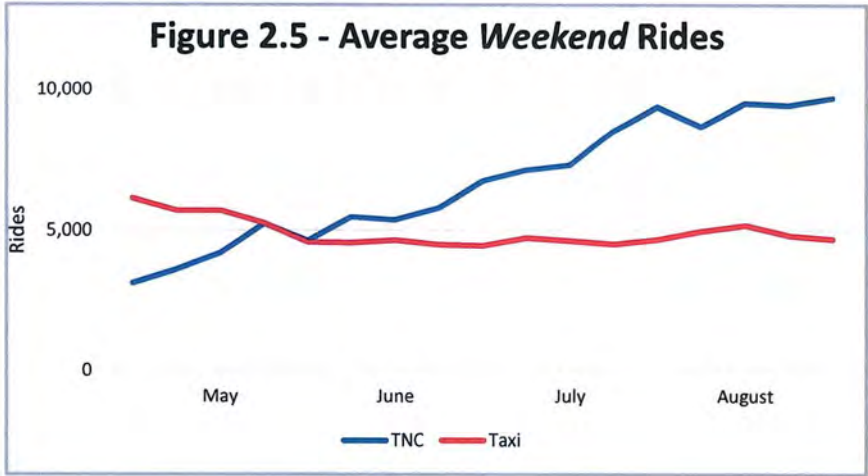
Along with noticeable ridership patterns between weekdays and weekends, there were distinct trip trends at different times of the day (see Figure 2.4 below). For taxi service<sup>1</sup>, peak ride-time occurred during the afternoon (12 pm - 5 pm), with smaller peaks during the late-night and overnight hours (11pm - 6am). For TNCs, peak ride-time occurred mostly during the late evening hours (8 pm - 11 pm). The increase in rides during the evening and late night hours are likely attributed to late-night entertainment in Portland, while the overnight peak is likely related to early morning flights out of the Portland Airport.



Changes in market patterns over the course of the Pilot can be seen in weekday and weekend trip trends. As depicted in Figures 2.5 - 2.7, on the next page, TNC ridership outpaced taxi ridership on both weekdays and weekends. TNCs saw a greater uptick in weekend ridership than on weekday at the onset of the Pilot. Just seven weeks into the pilot, weekend ridership among TNCs outpaced weekend taxi ridership. It was not until week eleven (about mid-July) that weekday TNC ridership surpassed weekday taxis<sup>2</sup> ridership.

<sup>1</sup> Includes data related to on-demand and reserved pickups. Street hail data submitted did not have timestamps and were not included here.

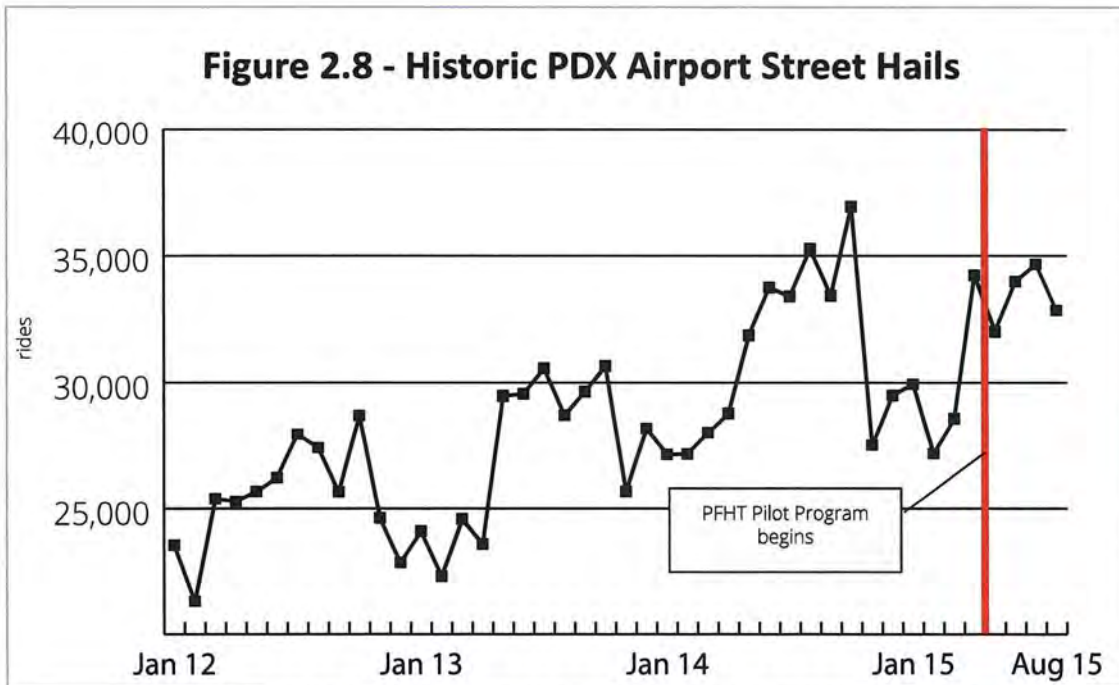
<sup>2</sup> Taxi data in this chart is comprised of on-demand rides, reserved rides, and street hails.



### Impacts on Taxi Business

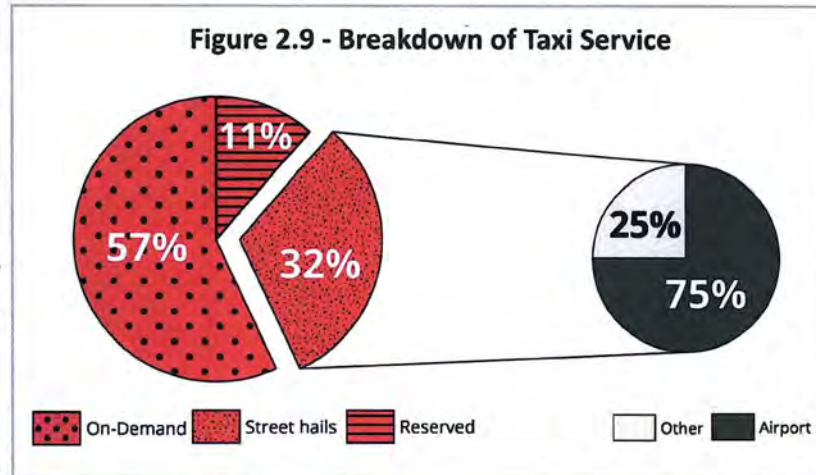
Historic taxi ridership data was not provided for analysis, which would provide important insight into the impacts of Pilot Program regulatory and market changes to Portland's taxi companies. However, the Port of Portland closely monitors taxi drop-off and pick-up trip counts at the Portland International Airport (PDX) and provided taxi trip counts from 2013 to 2015. These trip counts may not be representative of historic citywide taxi ridership, but the data provides useful context of recent taxi trip trends.

Figure 2.8 shows seasonal taxi street-hail count variations within recent years, as well as the steady increase in taxi traffic from the airport over the past three years. During this period, the number of permitted taxis grew from 410 in 2012 to 650 by August, 2015.



In comparing taxi and TNC ridership patterns, it is important to understand the different types of taxi and TNC trips that are analyzed in this report. All TNC trips must be requested through a TNC smartphone app and rides are provided on-demand by the nearest TNC driver. Taxi service may similarly be requested on-demand through a taxi's dispatch service (via telephone or, for some, via a smartphone app), but may also be pre-arranged through advance reservation. Taxi companies also have the exclusive ability to accept immediate street-hails and queue in any of the 46 designated taxi stands throughout the city, which TNCs are prohibited from doing.

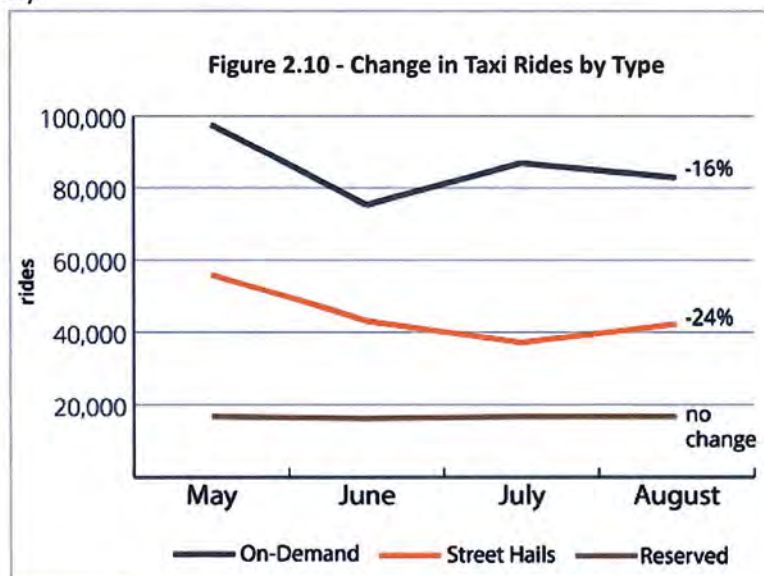
Based on the data provided during the Pilot Program, on-demand dispatch trips account for about 60% of the taxi service in Portland, with the remaining 40% of taxi trips being street-hailed trips or booked in advance through reservation (Figure 2.9)<sup>3</sup>.



The proportional representation of each taxi service type remained relatively stable during the Pilot Program, but taxis saw

an overall decline in on-demand retail rides and street hails (see Figure 2.10). On-demand rides (which are directly competitive to TNCs) saw a 16% decrease over the four months, while reserved pickup rides saw no change between the start and end of the Pilot Program. Taxi street hails saw a 24% decline.

Street hails accounted for approximately 30% of the all taxi trips during the Pilot Program. Of those street hails, most originated from the Portland International Airport. Between May and August, taxi street-hails from the airport increased by nearly 3%. However, overall taxi street hails decreased by 24%, as mentioned above. This overall decrease, despite an increase in trips from the airport, is due to a significant decrease (60%) of street hail service from hotels throughout the City.

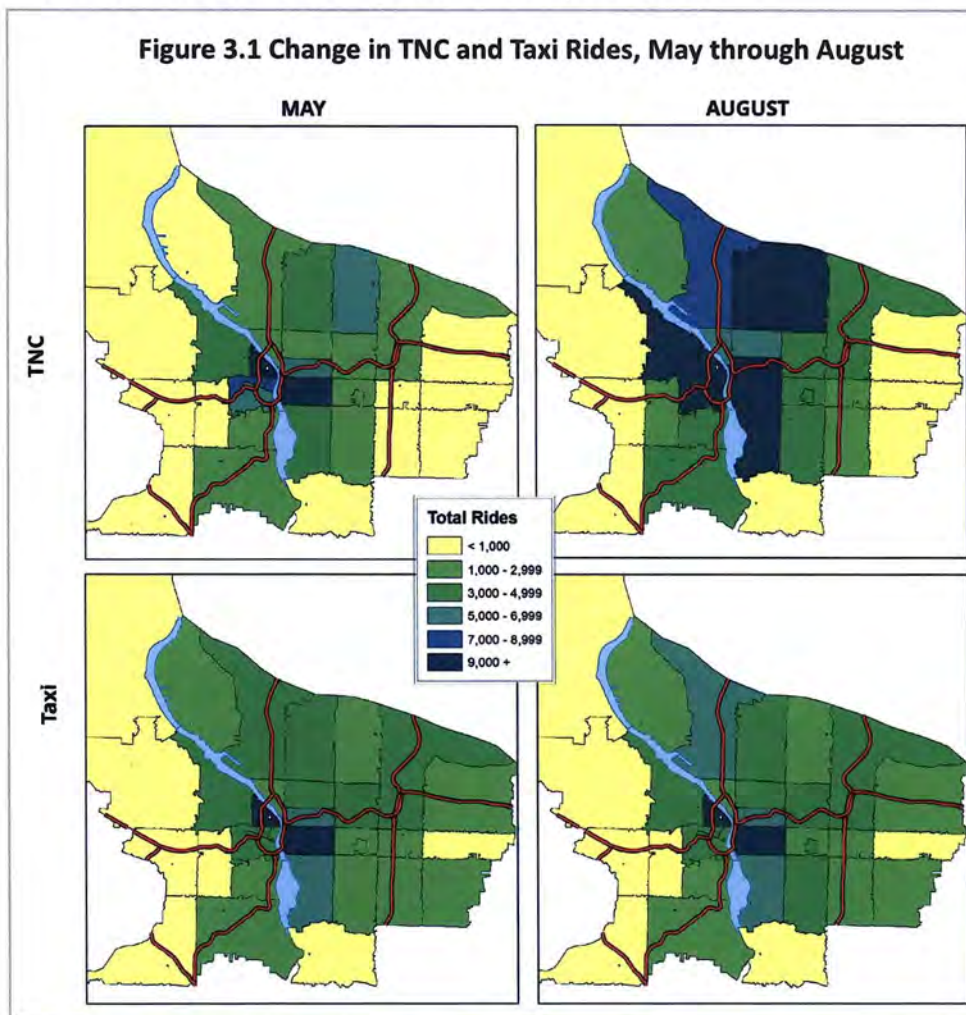


<sup>3</sup> It is important to note that this is an industry average, and may not be indicative of an individual taxi company.

### 3. LOCATION TRENDS

Figure 3.1 shows the change in ridership throughout the City of Portland among taxis<sup>4</sup> and TNCs from May to August. There was a clear pattern of growth from TNCs between May and August, most of which occurred in the areas closest to the City Center. Of the roughly 98,000 TNC rides and 158,000 taxi rides provided in May, most originated in the central city and from the Portland International Airport (within the 97218 ZIP code area). Though ridership for taxis and TNCs remained concentrated in the central city and from the airport, TNC ridership expanded to other neighborhoods by August.

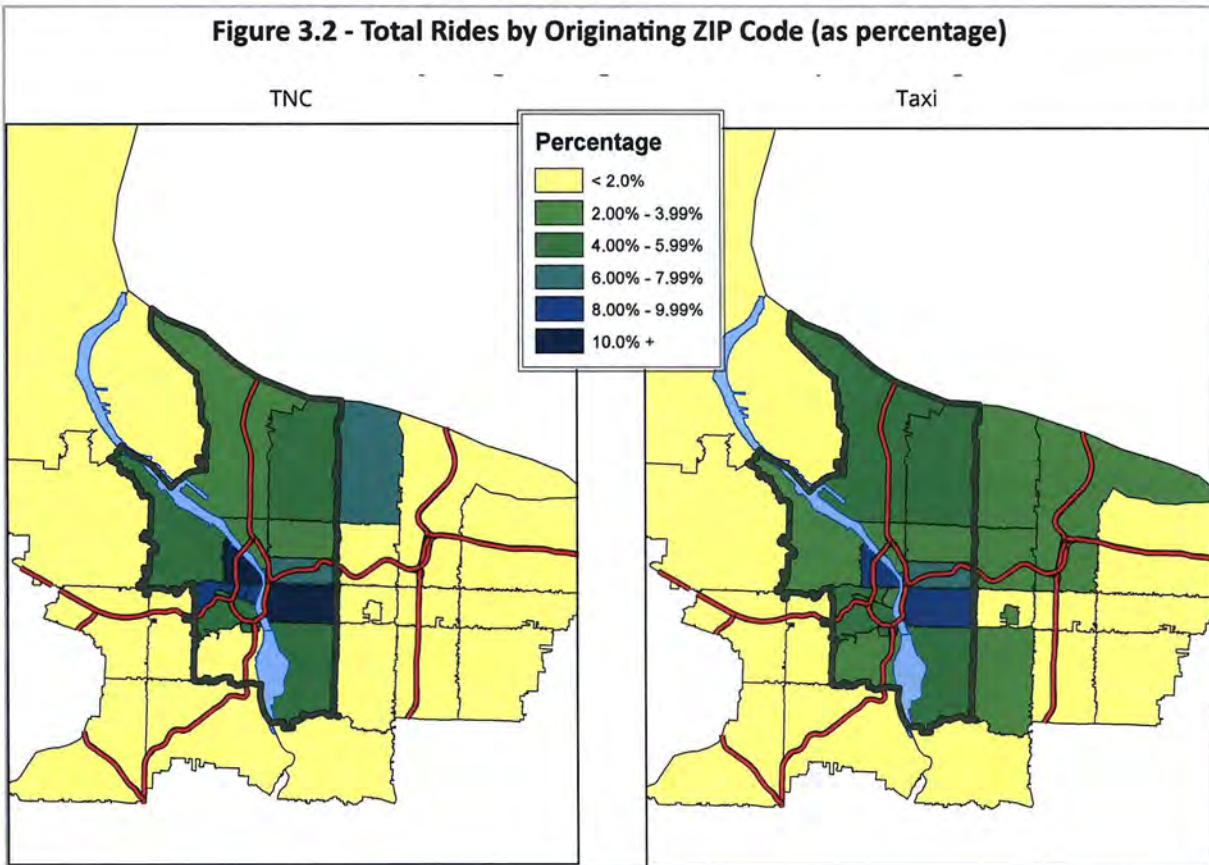
Looking at the change in taxi service over the four months, Figure 3.1 shows very little change within the specific ZIP codes throughout the area. So although taxis did lose a proportion of their retail service, no specific area of the City seemed to be noticeably affected, and the decrease occurred uniformly throughout the City. In terms of total trip counts, TNCs provided more rides than taxis in 20 of the 31 ZIP code areas within the City of Portland.



<sup>4</sup> Includes taxi on-demand rides and reserved rides.

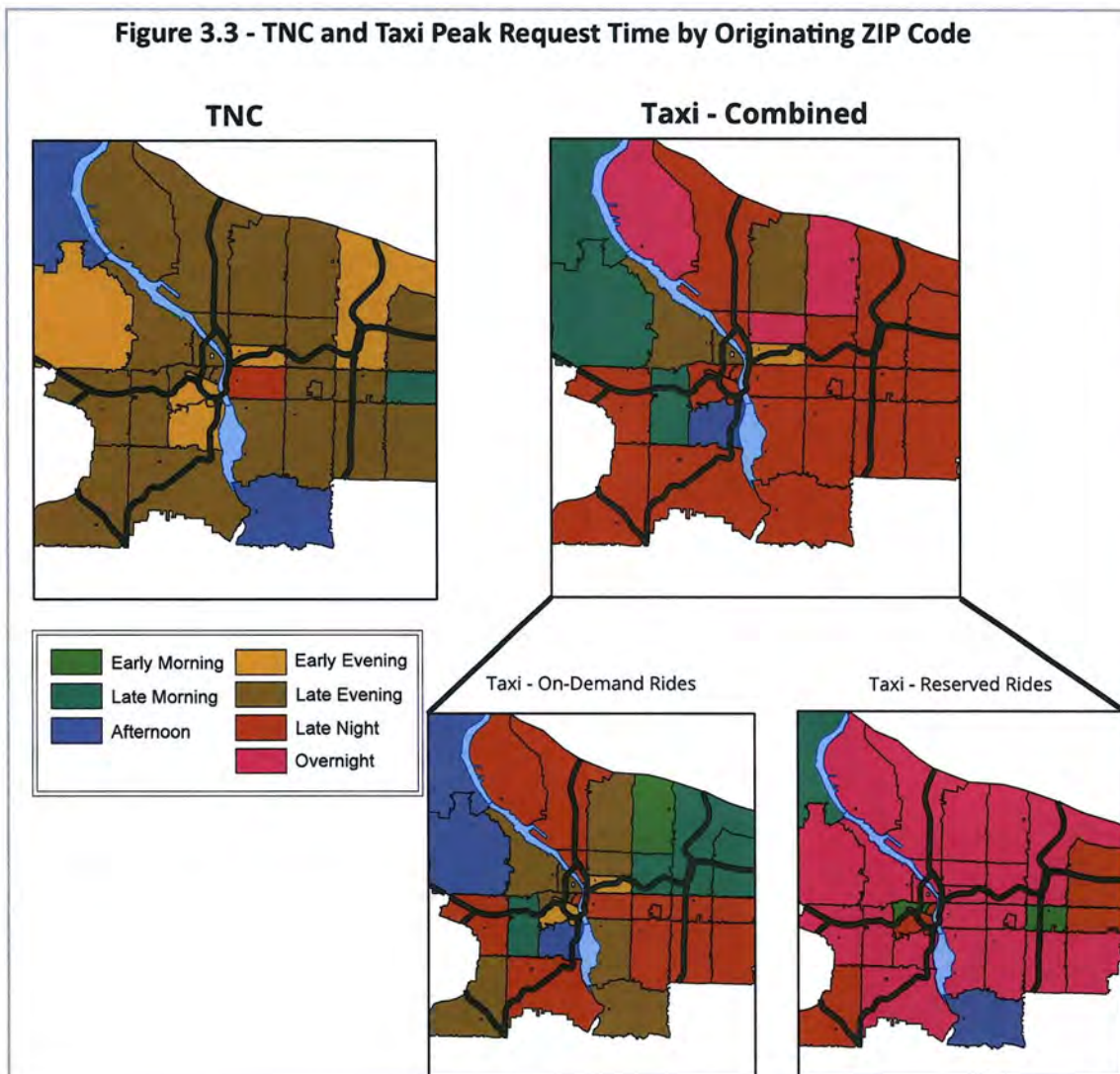
Depicting ridership as a percentage of overall originating trips by ZIP code provides important insight into service coverage by taxis and TNCs. One of the key minimum standards of service requirements of Portland’s PFHT program mandates that taxis and TNCs provide citywide, 24/7 service. Figure 3.2 affirms that taxis and TNCs provide full, citywide service, with rides originating in all ZIP code areas within the City of Portland. Again, ridership is geographically concentrated in the city center for both taxis and TNCs. However, overall taxi ridership is more dispersed throughout the City than is TNC ridership.

**Figure 3.2 - Total Rides by Originating ZIP Code (as percentage)**



### Peak Ridership Times throughout the City

Unique ridership patterns can be also seen between taxis and TNCs by analyzing the time of day of originating trips. Figure 3.3 shows this peak ride time geographically for each of the ZIP code areas within Portland. In a vast majority of the City, TNC peak ride time was during the late evening (8pm - 11pm) while taxi rides were, for the most part, provided during the late night hours (11pm - 2am). Breaking taxi service down into on-demand and reserved rides shows that throughout the City, reserved rides tend to occur in the overnight hours (2am – 6am) while on-demand rides have no clear pattern.



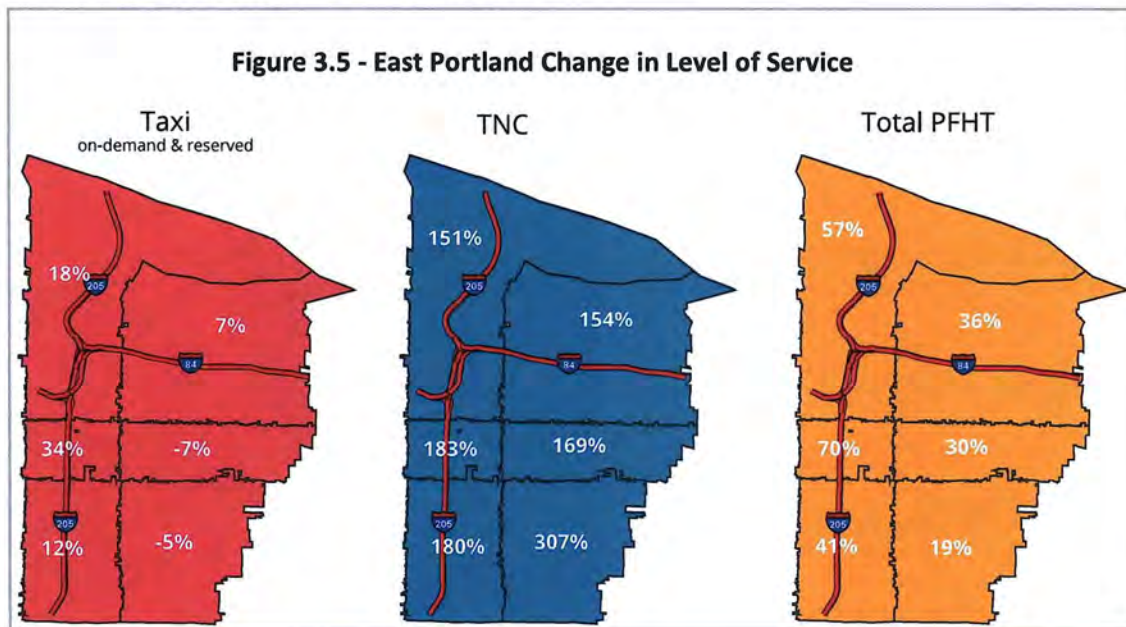
## East Portland Trip Trends



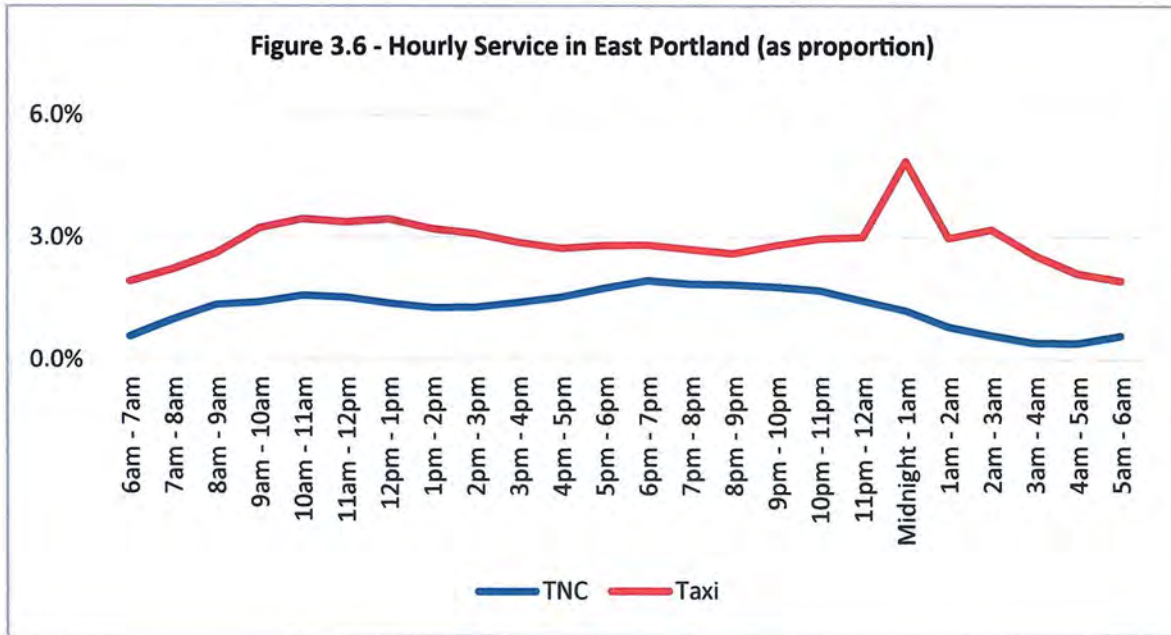
As the Portland Bureau of Transportation seeks to advance equity, improving transportation options in historically underserved neighborhoods is a top priority. This is particularly true for East Portland neighborhoods (see Figure 3.4 for reference map). Concerns have been raised in other cities that taxis and TNCs predominately service city centers and avoid outlying neighborhoods. Monitoring ridership trends in all neighborhoods, and specifically in East Portland, was an important focus during the Pilot Program.

Trips originating from East Portland account for 8% of all taxi rides and 3% of all TNC rides that were provided from May to August. Figure 3.5, below, shows ridership changes among taxis, TNCs and overall service throughout East Portland. Although TNC ridership in East Portland was sparse in May compared to taxi ridership, TNC ridership within the area grew substantially during the Pilot Program. TNC service increased by almost 170% between May and August, while taxi service increased 15% during this period. Combined, East Portland saw a nearly 50% increase in total level of service during these four months.

Additionally, as the number of TNC rides completed in East Portland increased, the number of unfulfilled TNC rides (rides that were requested but not completed due to lack of available TNC vehicles) dropped substantially. Overall, the number of unfulfilled rides in East Portland decreased by 48% between May and August.



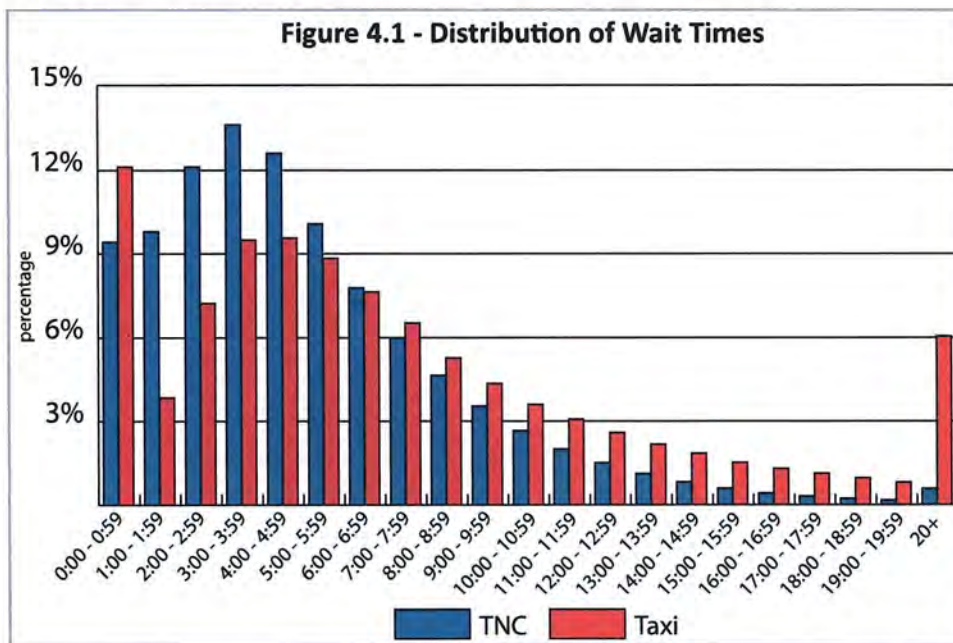
Overall service in East Portland markedly improved by nearly 50% since the beginning of the Pilot Program. Figure 3.6 also shows ridership in East Portland throughout the hours of the day, as a proportion of rides given by TNCs and taxis. Both TNCs and taxis provided service to East Portland at all hours of the day.



## 4. CITYWIDE WAIT TIMES

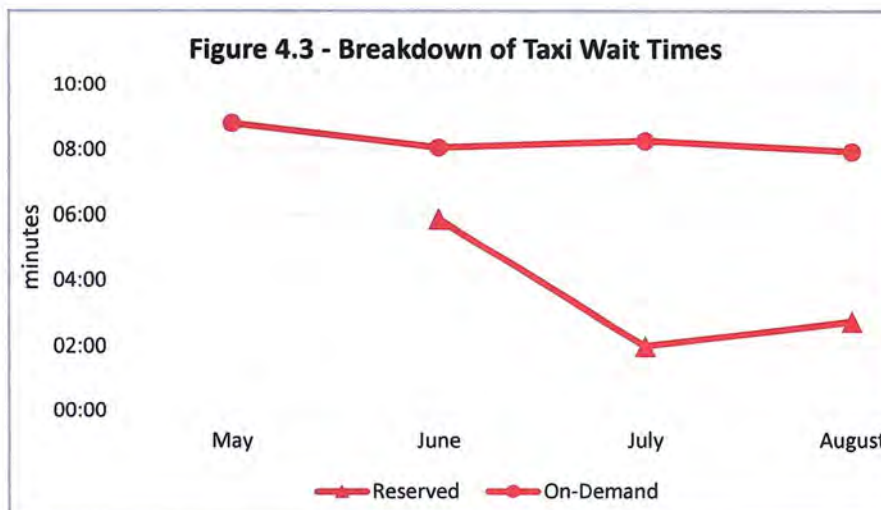
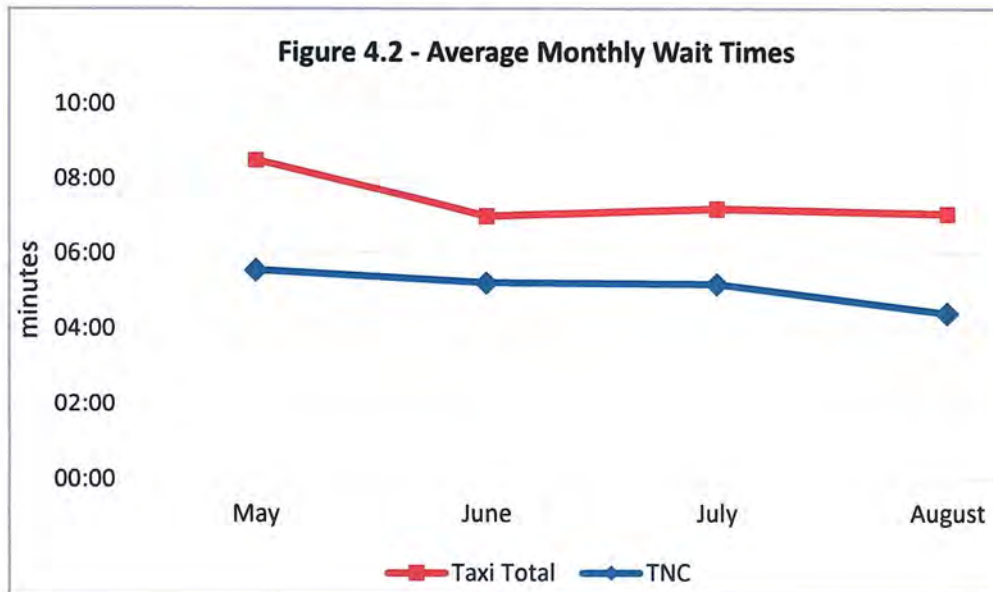
Notable differences between taxi and TNC service can again be seen when analyzing the amount of time consumers experienced between when a ride was requested and when a vehicle arrived to the requested pick-up location. For the purposes of this report, this time is referred to simply as the “wait time.”

Figure 4.1 shows that, overall, 75% of TNC passengers waited six minutes or less for a ride, while 58% of taxi passengers received a ride within the same amount of time<sup>5</sup>. Additionally, a key difference in wait time patterns is seen by looking to the number of rides that took 20 minutes or more to arrive to passengers’ requested pick-up location. In total, roughly 6% of taxi passengers (or 1 in every 17) waited more than 20 minutes for taxi service during the first four months of the Pilot. As was previously explained, TNCs and taxis provide similar services but do so through different means. In comparing TNC and taxi wait times, it is important to understand the different types of taxi trips that are analyzed in this report. All TNC trips must be requested through a TNC app and rides are provided on-demand by the nearest TNC driver. Taxi service may similarly be requested on-demand through a taxi’s dispatch service (via telephone or for some, via smart-phone app), but may also be pre-arranged through advance reservation.



<sup>5</sup> Only 74% of on-demand taxi data and 65% of reserved ride data had a valid wait time to be analyzed. Wait times were typically calculated as the difference between “call time” (for on-demand rides) or “pickup time” (for reserved rides) and the “driver on-site time”. In some instances, wait times were not able to be calculated due to blank “driver on-site” fields (it is unclear why some of the data records were missing values). In other instances, the dispatching system of the taxi company was not able to determine the “driver on-site time”. Despite these missing data points, the number of complete records represents a large sample size, and this sample data was consistently distributed. As a result, PBOT is confident that the data submitted was an accurate baseline for which to extrapolate to the entire taxi industry.

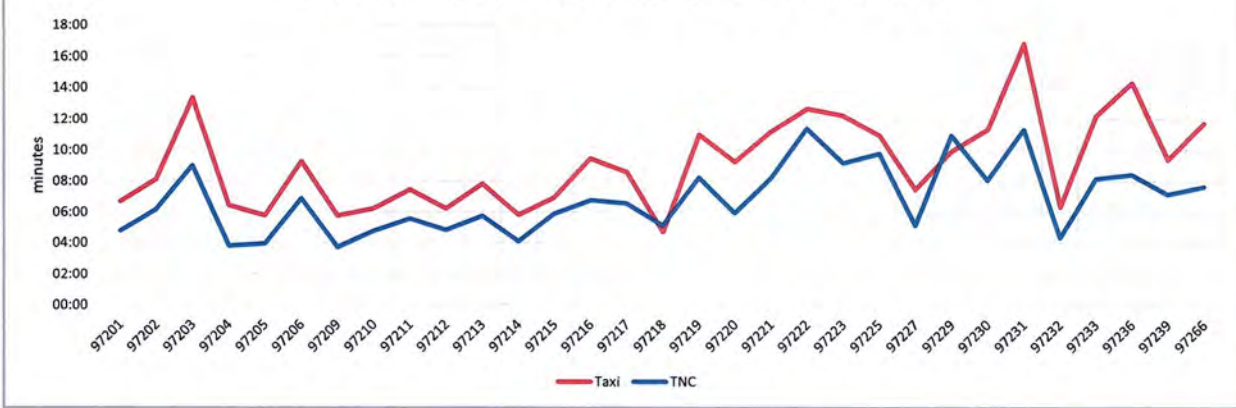
Figure 4.2 shows the average wait time by month for all TNC and taxi trips. For Figure 4.2, taxi on-demand service and reserved ride service have been combined, but are shown separated in Figure 4.3. While it may be expected that reserved taxi trips would not have wait times, Figure 4.3 indicates that wait times for reserved trips often averaged at least two minutes<sup>6</sup>.



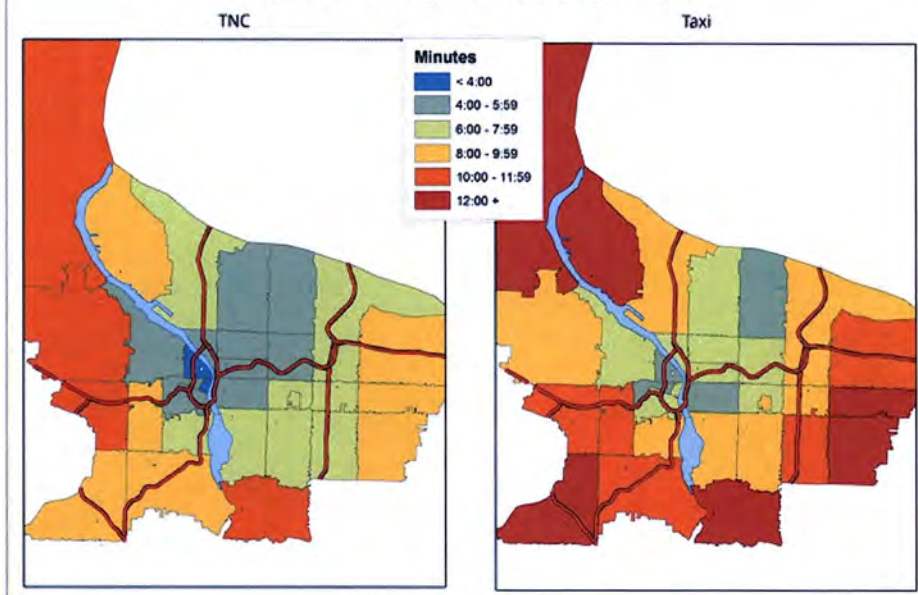
Comparing average wait times by time-of-day and by originating ZIP code area (Figures 4.4 - 4.6 on the next page), reveals that TNCs and taxis had similar wait time patterns. However, TNCs had consistently shorter wait times at nearly all times of the day and across nearly all ZIP code areas, including popular business district areas such as Belmont/Hawthorne (97232), Clinton/Division (97214) and Albina (97227), and at the airport (ZIP Code 97218). TNCs and taxis generally had longer wait times in areas further from the city center.

<sup>6</sup> Data from reserved ride records for the month of May was omitted due to inconsistencies with data reporting.

**Figure 4.4 - Average Wait Times by Originating ZIP Code**



**Figure 4.5 - Average Wait Times by ZIP Code**



**Figure 4.6 - Average Wait Times by Time of Day**

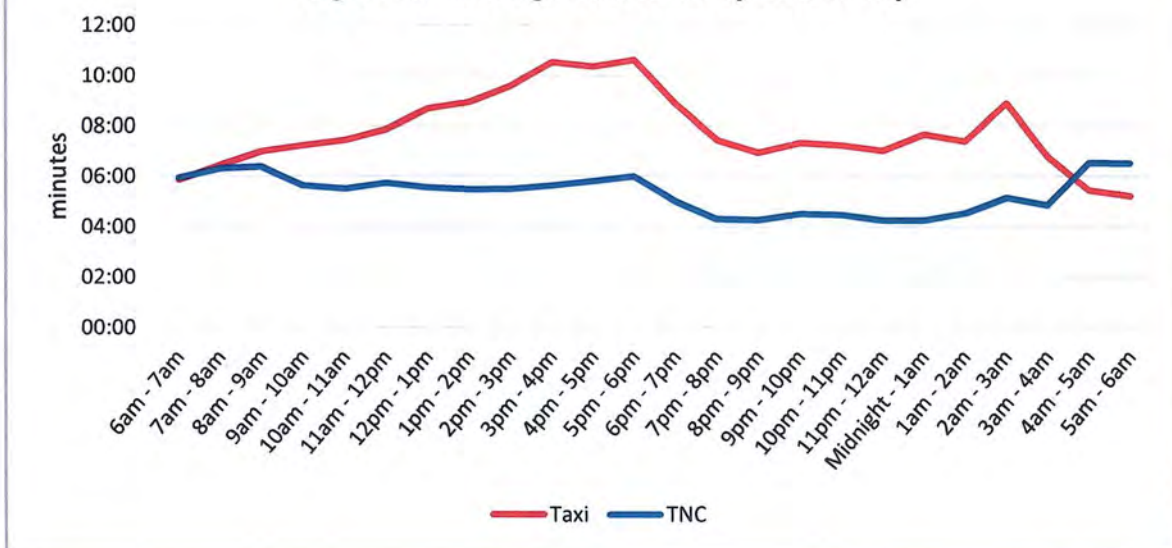
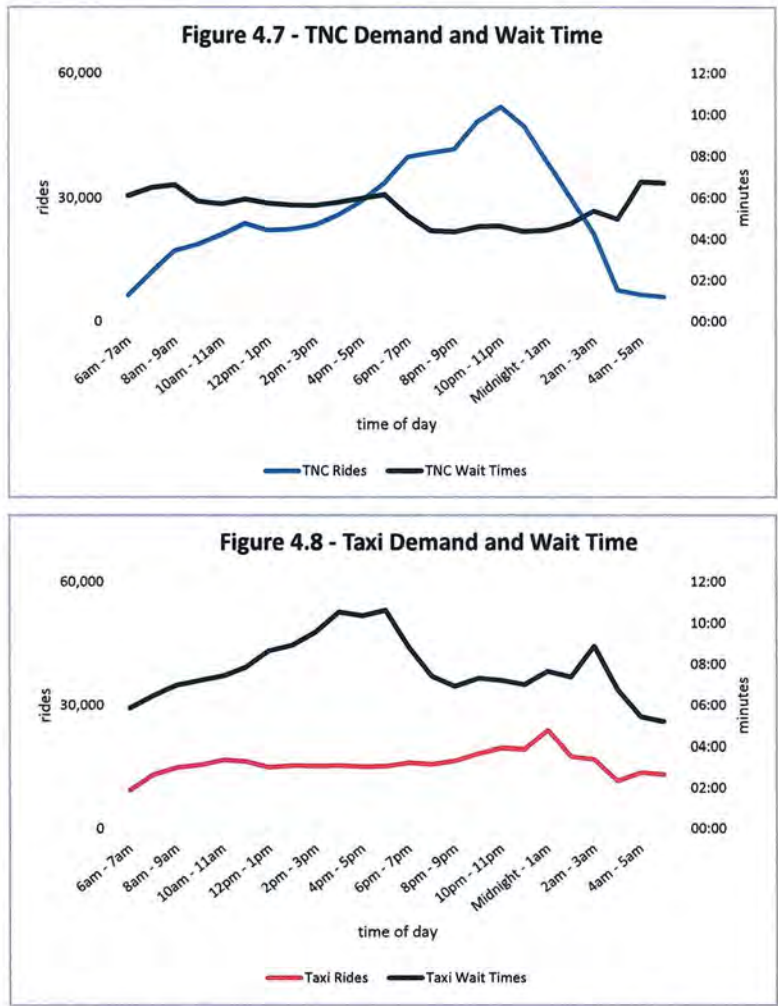


Figure 4.7 and 4.8 compare wait times to passenger demand by time-of-day. For TNCs, wait times stayed generally consistent throughout the day, and actually decreased during periods of high-demand (the evening hours).

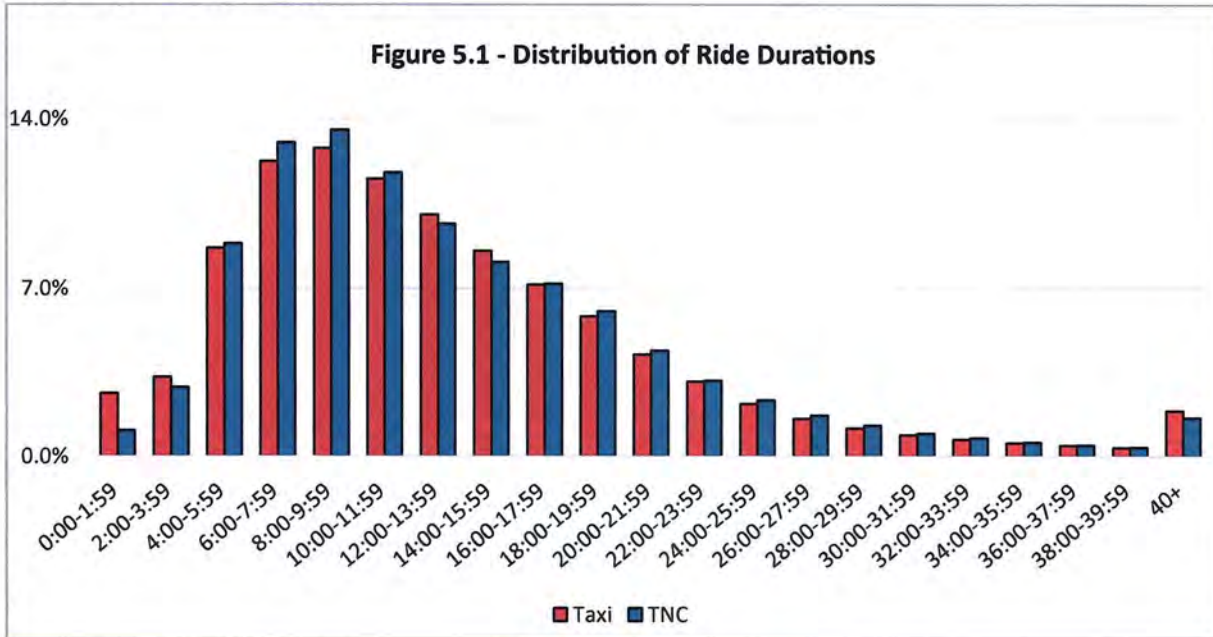


These consistent and relatively short wait times may be credited to the TNCs’ use of dynamic pricing, or surge pricing, which incentivizes more drivers during periods of high demand. On the other hand, demand for taxi service was relatively consistent during the daytime hours, but wait times varied throughout the day. Not enough data or information is currently available to make conclusive correlations, but factors that have been cited as impacting wait times include how taxi driver shifts are scheduled, which may not reflect real-time changes in consumer demand.

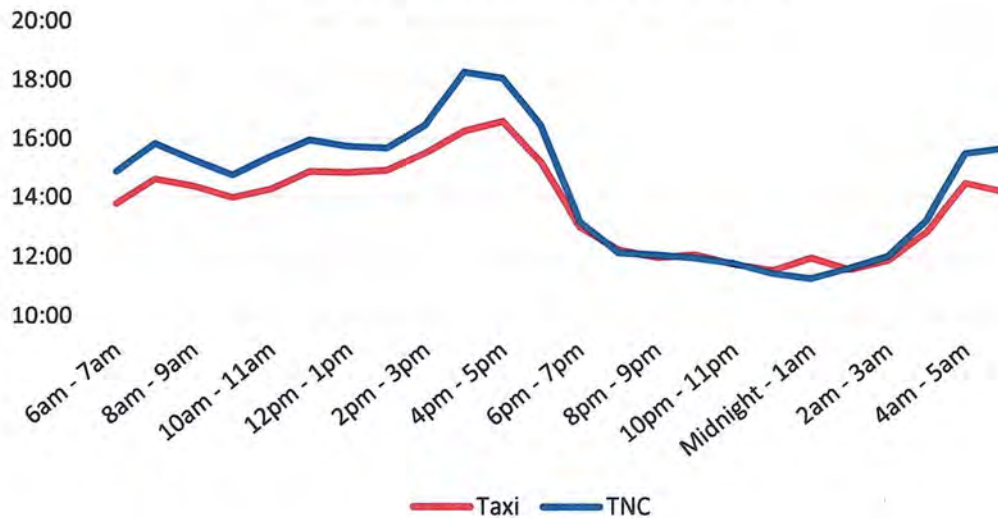
Additionally, the types of dispatch systems utilized by TNCs and taxi companies may impact wait time patterns. TNCs utilize a dispatch system primarily based on proximity of driver to passenger. In contrast, most taxi companies utilize a zone dispatch system to respond to passenger requests based on a queue of drivers waiting for a fare. This type of dispatch system may provide more equity for taxi drivers, but not necessarily more efficiency, and may contribute to longer wait times.

## 5. RIDE DURATIONS

Average ride durations<sup>7</sup> were similar between on-demand taxi and TNC trips, as can be see in Figure 5.1. Most of the taxi and TNC rides provided from May to August had durations of 12 minutes or less. Additionally, taxis and TNCs provided a notable number of ride with durations of 40 minutes or longer, which were likely trips to and from the Portland International Airport or to and from surrounding suburbs.

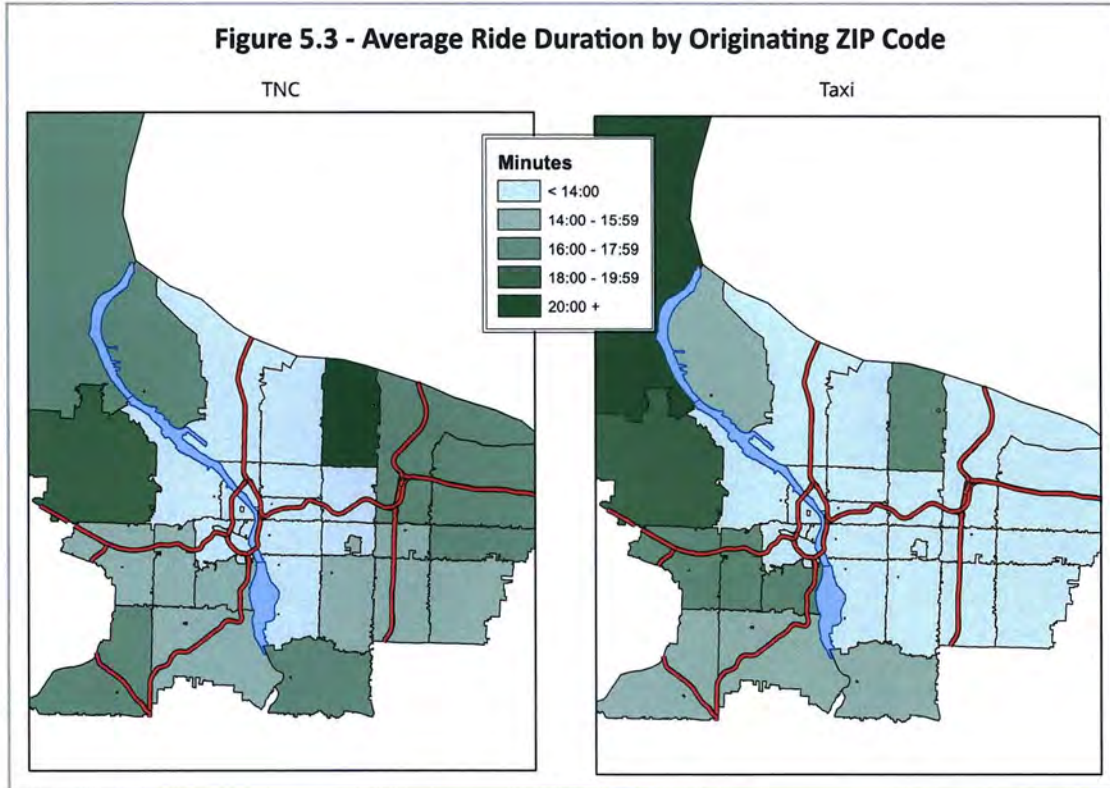


**Figure 5.2 - Ride Durations by Time of Day**

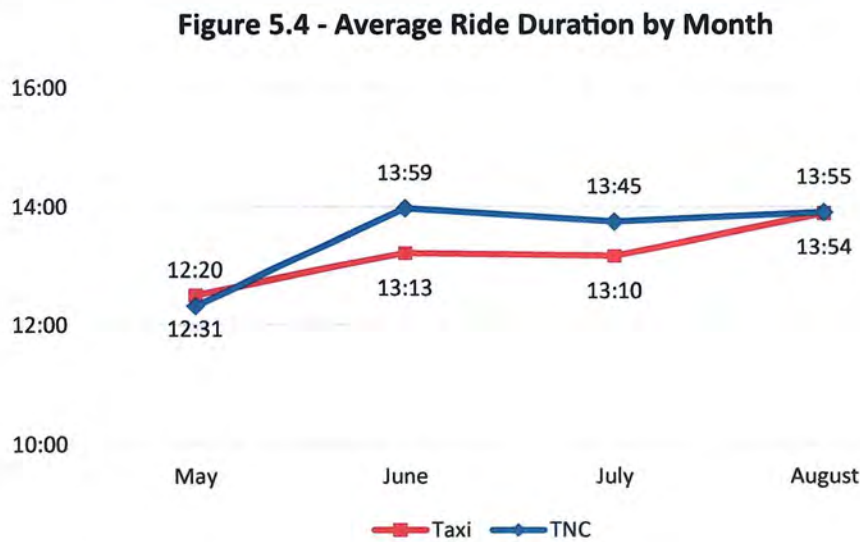


<sup>7</sup> For TNCs, ride duration is defined as the time between when the driver officially began the ride on the app platform and when the ride officially ended. For taxis, ride duration is defined as the time between when the meter was turned on and when the meter was turned off.

Figure 5.3 displays taxi and TNC ride durations by originating zip code area within the city. For both taxis and TNCs, trips originating closer to the center of the city generally had shorter ride durations. Conversely, taxi and TNC trips that originated further from the center of the city had longer ride durations.



By August, average ride durations for taxi and TNC service were almost identical, as seen in Figure 5.4.



## 6. ACCESSIBLE TRANSPORTATION

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Seniors and people with disabilities often require special accommodations and assistance to access and utilize transportation services. The Americans with Disabilities Act (ADA), a landmark civil rights bill enacted by Congress 25 years ago, prohibits discrimination, guarantees that people with disabilities have the same opportunities as those without disabilities and requires that government agencies and public services provide reasonable accommodations to people with disabilities.



The National Commission on Disability (2015) explains that, “[Private for hire transportation services] may not charge higher fares for passengers with disabilities; they may not refuse to serve a passenger with a disability who can use a taxi sedan (including people who use wheelchairs); they may not refuse to stow a wheelchair or other mobility device in the trunk of a sedan or impose a special charge for doing so; and they must accept passengers traveling with service animals.”

In the 2015 report, *Transportation Update: Where We’ve Gone and What We’ve Learned*, the National Commission on Disability (NCD) finds that, “Since the 2005 NCD report, wheelchair-accessible taxis have become more available in larger communities around the country. Cities with accessible taxi services include, Chicago, Boston, San Francisco, Miami, Las Vegas, and Portland.”

Portland is one of the first U.S. cities to adopt wheelchair accessible vehicle (WAV) requirements for taxi companies, some of which may be credited to TriMet’s efforts to become compliant with the ADA requirements established in the mid-1990s. TriMet began partnering with taxi companies to provide stop-gap transportation service to people with disabilities, and TriMet maintains contracts with several taxi companies and other transportation operators to this day to supplement ADA transit service.

There are, in fact, several transportation options currently available to Portlanders with disabilities: privately-owned and operated vehicles, transportation service provided by TriMet and the TriMet LIFT paratransit program, Medicaid-funded, non-emergency medical transportation services (under the local authority of Coordinated Care Organizations) and private for-hire transportation service to consumers. However, the availability and accessibility of these options varies greatly depending on the specific needs and resources of individual consumers and the overall demand for these services at any given time.

People who need wheelchair accessible vehicles (WAVs) often experience substantially greater challenges in accessing those vehicles. Privately-owned, consumer-operated WAVs can be cost restrictive, particularly given that Americans with disabilities experience poverty at twice the rate as those without disabilities. On average, American households with an adult member with a disability earn nearly 40% less than households without an adult member with a disability (U.S. Senate Committee on Health, Education, Labor & Pensions, 2014).

TriMet is mandated by the ADA to provide reasonable accommodations to those who are unable to use TriMet buses and/or light rail some or all of the time due to a disability or medical

condition. TriMet's LIFT paratransit service is a shared-ride public transportation service and is generally regarded as reliable, but the service requires advance reservation and is only available within the TriMet service district during regular hours of TriMet operations (4:30am-2:30am, seven days a week). TriMet LIFT service is federally and locally subsidized so that the cost to consumers is significantly reduced. Qualifying users are eligible for discounted "LIFT Paratransit" or "Honored Citizen" passes.

Similarly, WAV fares for private for hire transportation are regulated so they are the same as non-WAV fares. However, private for-hire transportation operators report that WAV trips take longer and cost up to \$30 and \$40 more than non-WAV trips. These additional operating costs have been absorbed by the overall operating costs to taxi companies and most recently TNCs. However, several Portland taxi companies have mitigated those higher operational costs by markedly subsidizing retail WAV service through contracting taxi WAVs to other transportation service providers, including paratransit, mass-transit operators, and non-emergency medical transportation brokers. That has had the unintended consequence of further confining the already limited availability of wheelchair accessible transportation service in Portland.

#### ***History of Wheelchair Accessible PFHT Regulations***

Shortly after Congress passed the Americans with Disabilities Act in 1990, TriMet began developing and implementing ADA policies and protocols, in many ways setting the national pace for improving transportation options for people with disabilities. At the same time, the City set a goal for taxi companies to increase the size of their respective wheelchair accessible fleets to a minimum of 20% of each company's total fleet. The WAV fleet requirement was intended to ensure that taxi companies could meet demand for WAV service from consumers requesting retail transportation service and from other transportation operators needing additional WAV capacity, including TriMet.

Maintaining an operational fleet of WAV taxis proved to be challenging for most taxi companies, largely because of the higher initial and ongoing costs of WAV service compared to traditional taxi sedan service. In 2003, the PFHT Board and a coalition of taxi companies developed an agreement to form a central WAV dispatch broker between taxi companies. Pooling WAV resources and utilizing a centralized WAV broker was expected to be a more efficient and cost effective method to provide WAV service to the community.

This centralized and shared WAV-fleet agreement, known as the Portland Accessible Cab Association (PACA), was finalized and began operating in June 2004. Under the PACA agreement, 10% of a participating taxi company's fleet needed to be WAVs, instead of the 20% that was otherwise required. Unfortunately, this centralized model proved challenging to coordinate and was formally disbanded in December 2012. However, not all taxi companies that had participated in the PACA brought their fleets back in to compliance with the 20% WAV requirement. The PFHT Board began considering increasing WAV fleet requirements to 30% to improve WAV service, but this requirement was never adopted. In years since the formal end of PACA, WAV taxi fleets ranged from 10-20%. Today, Taxi WAVs constitute about 15% of all of Portland's permitted taxi vehicles.

In July 2014, the PFHT program was transferred from the Revenue Bureau to the Portland

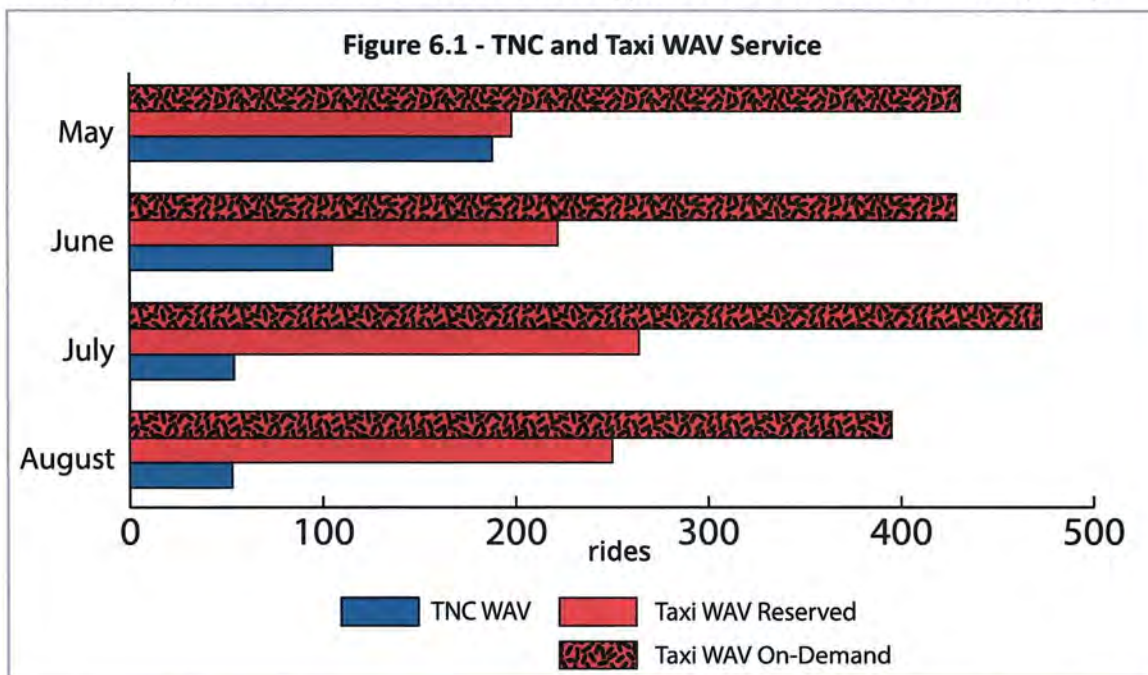
Bureau of Transportation to better align with the City’s overall transportation policies and goals. At the direction of Transportation Commissioner Steve Novick, the PFHT was asked to reevaluate all pending permit applications for new and existing taxi companies. After review, the Board voted in February 2015 to approve all 242 requested taxi vehicle permits from the six existing taxi companies in Portland. The Board added a condition to the additional vehicle permits, requiring that taxi companies bring their fleets into the 20% WAV compliance requirement prior to the approval of additional taxi sedan permits.

A special PFHT Innovation Task Force was convened by Commissioner Novick in January 2015 to review existing PFHT regulations and to recommend regulatory changes to ensure public safety, improve service and ensure a fair, competitive market for companies and drivers. The Task Force, independent of the PFHT Board, recommended that service performance standards, not fleet vehicle requirements, would provide a better and more efficient means of ensuring PFHT WAV service to people with disabilities.

The PFHT Innovation Pilot Program, approved by Portland City Council in April 2015, supports this recommendation. In order to transition the PFHT industry from a WAV fleet requirement to service performance standards largely tied to response times and service requests, three provisions are included in the Pilot Program: one, lower WAV fleet requirements for taxi companies (10%); two, the expanded use of permits for non-emergency transportation vehicles; and three data-informed performance standards for TNCs.

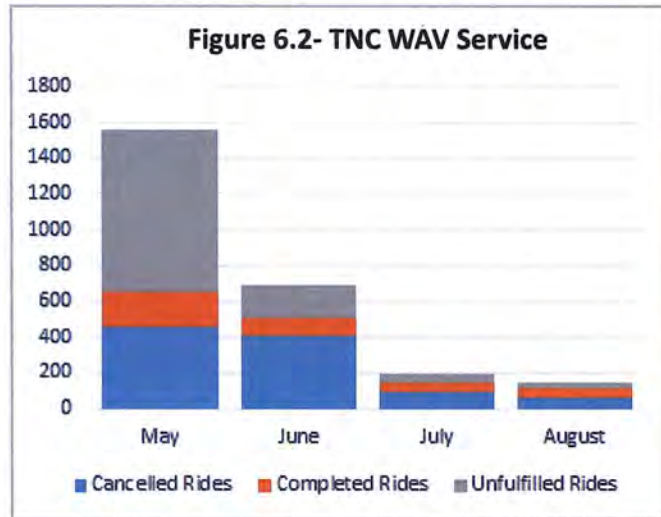
**Wheelchair Accessible Vehicle Trips**

Accessible transportation service to passengers with disabilities has been an important and closely monitored service during the Pilot Program. The PFHT Program requires that all taxis and TNCs accommodate requests for service from people with disabilities, including those who are accompanied by a service animal and those needing wheelchair accessible vehicles (WAV).

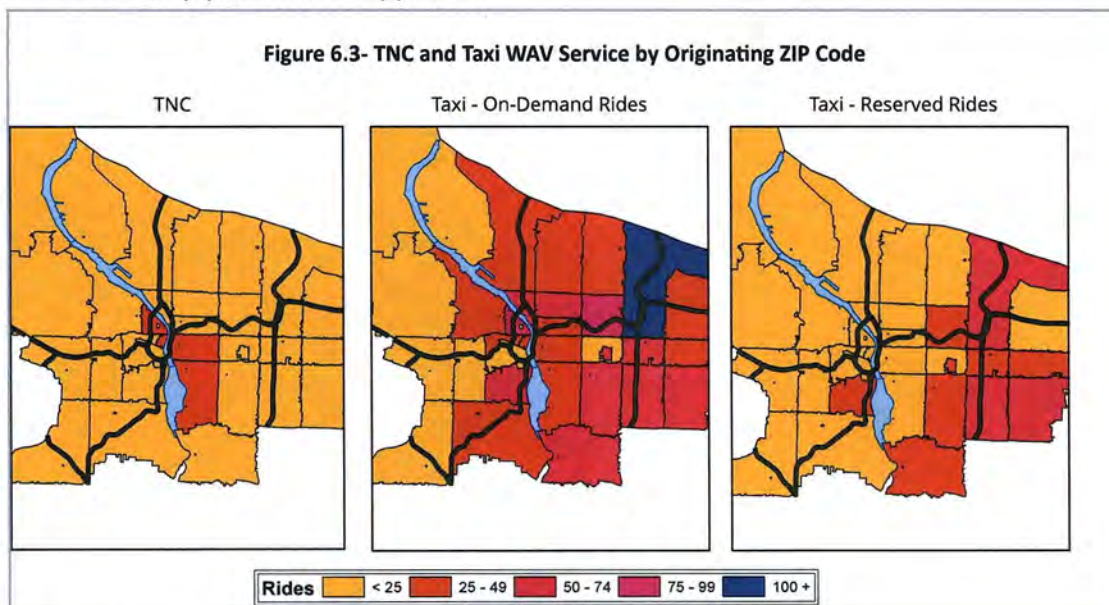


During the four-month initial pilot period, TNCs provided 400 WAV rides, while taxis provided 2,600 WAV rides. Figure 6.1, above, shows the change in WAV rides for both TNCs and taxis over the course of the pilot program. Taxis provide two types of dispatched WAV service: reserved pickups and on-demand pickups<sup>8</sup>. TNCs, however, only provide on-demand WAV service. Interestingly, reserved taxi WAV rides constitute only 35% of the taxi WAV service, while the remaining 65% of taxi WAV trips were requested on-demand. Over the course of the pilot program, on-demand taxi WAV rides decreased 8% from an about 430 per month to 395 per month, while reserved taxi WAV rides increased 26% from 200 per month to 250 per month.

TNC WAV service decreased over 70% during the course of the pilot program, from 188 rides in May to 53 rides in August. Figure 6.2 shows that although the number of completed TNC WAV trips decreased, the demand also decreased. It is unclear why there was a decrease, but it may be attributed to large numbers of customers requesting WAV rides at the beginning of the pilot without understanding what type of service they were requesting. Uber and Lyft have since put in mechanisms for drivers to confirm with passengers that they are in fact in need of a WAV vehicle before the ride is dispatched.



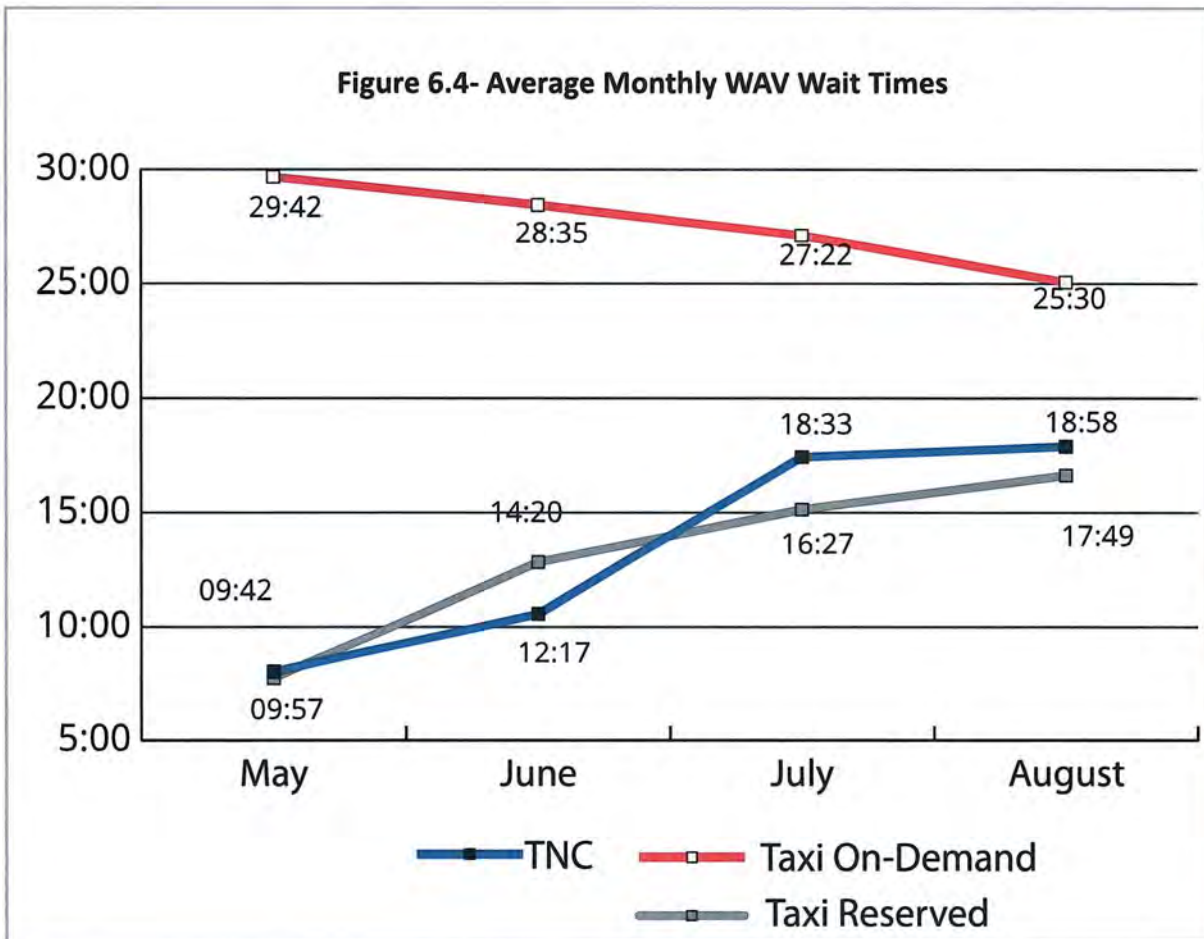
The breakdown of WAV trips by originating ZIP code area can be seen in Figure 6.3, below. A large portion of taxi WAV trips originated in areas with several medical offices, whereas no clear TNC WAV ridership patterns are apparent.



<sup>8</sup> This does not include SAT or any other contracted WAV service.

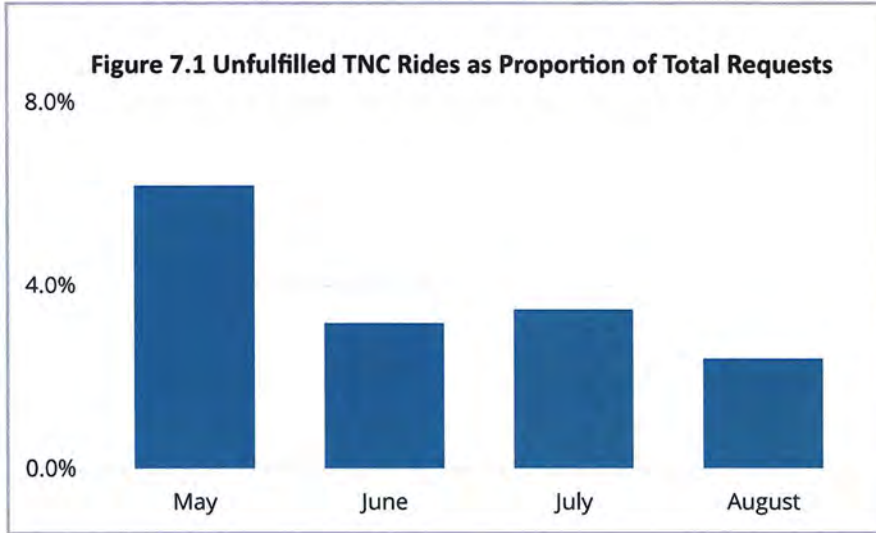
Although taxis provided significantly more WAV trips than did TNCs, on-demand taxi WAV trips had consistently higher wait times compared to TNCs WAV trips. Additionally, while average TNC WAV wait times increased since the beginning of the pilot period, August wait times were still nearly seven minutes shorter than on-demand taxi WAV trips. Despite their longer wait times, taxis have been able to improve average WAV wait times over the past four months, reducing wait-times by nearly four minutes for on-demand WAV service.

Contrary to the short wait times for reserved non-WAV taxi trips, reserved WAV taxi riders still experienced significant wait times despite arranging service in advance (see Figure 6.4). Of the total reserved WAV taxi trips, about 15% of riders waited 30 minutes or more after their scheduled pickup-time and before a taxi WAV arrived. For on-demand WAV taxi rides, this proportion jumps to about 35%. Only 4% of TNC WAV riders waited more than 30 minutes for a TNC WAV to arrive.

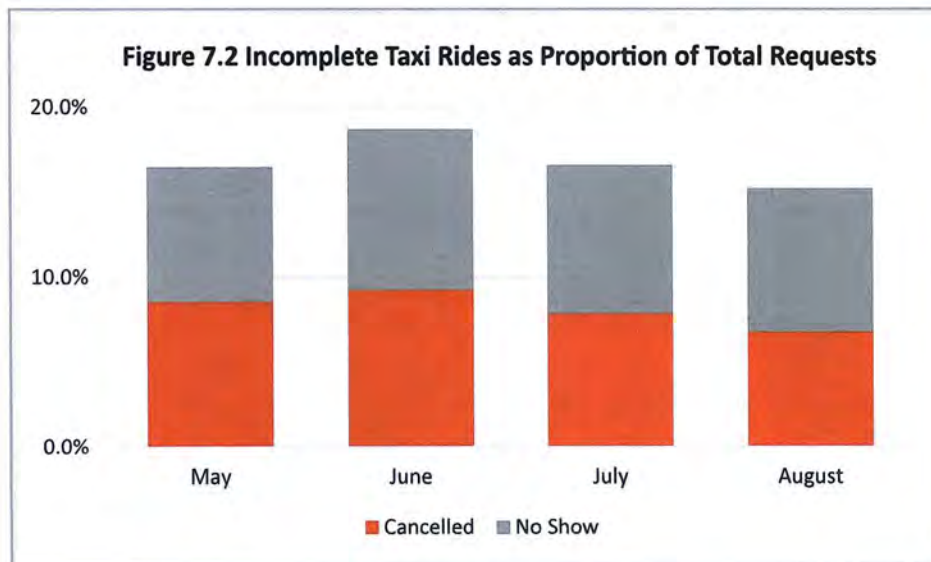


## 7. TNC UNFULFILLED AND TAXI INCOMPLETE TRIPS

TNC unfulfilled rides are rides that are actively requested by a customer, but never fulfilled because there were no vehicles available. From May to August, unfulfilled TNCs rides decreased noticeably, as seen in Figure 7.1. In May, unfulfilled TNC rides made up about 6% of total ride requests, and dropped to roughly 2% by the end of August.



Incomplete taxi rides refer to rides that are either actively canceled by consumers, or are rides that were requested but the consumer is not present at the requested pick-up location. Incomplete taxi trips decreased slightly during the Pilot Program (Figure 7.2) from roughly 17% of total taxi requests in May to roughly 15% of total taxi requests in August. This decrease is largely attributed to a reduction in canceled rides, which decreased 1.7 percentage points over the course of the pilot program.



## 8. COMPLIANCE

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PBOT's PFHT program has established new policies and protocols to ensure compliance with all program rules and regulations. The objective of the procedures is to inspect, educate and to enforce compliance. A key element to achieving compliance is the ongoing education, particularly when adapting to new regulations. This is true not only for permitted companies and drivers, but for compliance staff, law enforcement and the general public. The program primarily uses three methods to seek compliance: one, random certification audits; two, regular field compliance inspections; and three, complaint investigations. Consequences of violating pilot rules and regulations range from warnings to civil penalties that escalate with recurring offenses and permit suspension or revocation.

As a condition of a City of Portland Permit, taxi companies and TNCs must adhere to minimum standards of service that included the following:

- Permitted taxi and transportation network companies must remain in operation 24 hours each day and be capable of providing reasonably prompt service in response to requests at all times.
- Acceptance of any request made by any passenger of proper demeanor for taxi and TNC service received from any location within the City, including requests made by persons with disabilities and requests for wheelchair accessible service, is required.
- Taxi and TNC operators must reasonably accommodate passengers with service animals.
- All PFHT operators must adhere to a zero tolerance drug policy. The use of tobacco products is prohibited in any PFHT vehicle.
- No person may provide private for-hire transportation after engaging in more than 14 hours of commercial activity in any given 24-hour period.
- All vehicles must be kept clean and in good appearance and good repair. Additionally, vehicles must be equipped with all required components, including a hands-free accessory for mobile devices, a standard first aid kit, and a fire extinguisher.

To ensure that all City of Portland requirements are met during the pilot program, random audits are routinely conducted and include review of drivers' criminal history and motor vehicle records, vehicle safety and condition certification, insurance coverage, and business license registration. The privilege of driving for a permitted taxi company or TNC is immediately suspended if drivers or vehicles fail to comply with pilot program rules. Violations identified during an audit are investigated and corrective action—which may include the issuance of penalties or a revocation of permit—is taken.

Regular field compliance inspections are conducted by regulatory staff to ensure operational compliance by taxi and TNC operators. These actions entail staff ride-alongs to ensure that vehicles are in good condition, are properly equipped with required signage or trade-dress, a

hands-free accessory for mobile devices, and a first aid kit and fire extinguisher. Staff also document compliance with requirements for vehicle registration, insurance documentation, business license registration, driver conduct and WAV availability. Adherence to hailing and queuing rules, driver conduct are also monitored and audited.

Throughout the Pilot Program, regulatory staff found taxi companies, TNCs, and their respective drivers and vehicles to be in substantial compliance with PFHT requirements. A notable exception pertained to the availability and reliability of WAV service for taxis and TNCs. Early into the Pilot, staff documented limited availability of taxis WAVs and a concerning lack TNC WAVs. From May to August, however, WAV availability greatly improved. Staff continue to closely monitor the availability of WAV service and will issue penalties if any company is found to be out of compliance with accessibility requirements.

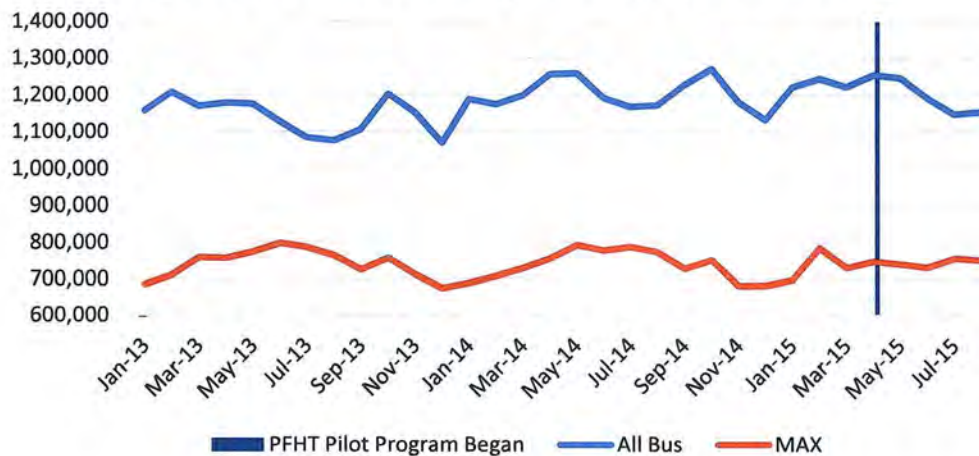
Finally, staff investigate and resolved consumer and other complaints reported to the PFHT Program. Since the beginning of the pilot program, PFHT has received 18 complaints. Complaints regarding PFHT operators in the City of Portland may be submitted to the following:

- Through email at [pdxrides@portlandoregon.gov](mailto:pdxrides@portlandoregon.gov)
- By calling 503-865-2486
- Online at [portlandoregon.gov/pdxrides](http://portlandoregon.gov/pdxrides)
- In writing by mail or fax: PO Box 8572 Portland, Oregon 97207 or 503-865-9022 (fax)

## 9. ADDITIONAL CONSIDERATIONS

Beyond ridership patterns and PFHT trip trends, the Portland Bureau of Transportation will continue to monitor other factors that may be impacted by the PFHT industry, including impacts on traffic and congestion, carbon emissions, TriMet ridership, and DUII arrest rates. At this time, however, not enough data or information is available to make conclusive determinations on the impact of PFHT regulatory and market changes on those factors. Data from TriMet and the Portland Police Bureau is readily available and present in Figures 9.1 and 9.2, below. The Bureau will continue to work with industry stakeholders and community partners to better track and analyze other considerations, which will be presented in subsequent annual PFHT market reports.

**Figure 9.1 - TriMet Weekly Boardings (MAX and Bus)**



**Figure 9.2 - DUII Statistics from Portland Police Bureau**

	2014 DUII Arrests	2015 DUII Arrests	% Change
April	145	106	-27%
May	147	99	-33%
June	90	108	17%
July	105	108	3%
August	140	131*	-6%

*\*The Portland Police Bureau may not have all DUII arrest data entered for August of 2015*

In April of 2015, the Portland Police Bureau began using a new records management system. At this juncture, the Police Bureau is still reconciling records between the old “PPDS” system and the new “ReJINS” system. For this and a variety of statistical analysis reasons, DUII arrest trends cannot be attributed to changes in the PFHT market.

## 10. SUMMARY

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The data presented in this report was an analysis of taxi and TNC rides completed between May 1st and August 31st. As part of their business model, taxis are able to provide three distinct services (on-demand rides, reserved rides, and street hails) while TNCs only provide on-demand pick up rides.

Overall retail taxi service decreased 16% since the beginning of the Pilot Program. This overall decrease was the result of a 16% decrease in on-demand service and a 24% decrease in street hail service. Taxi reserved ride service remained steady throughout the pilot.

Despite a 16% reduction in retail service from the taxi companies, the combined taxi and TNC segment of the Private for-Hire Transportation business grew 40% during the course of the four-month Pilot Program. The increase in ridership was due entirely to the addition of TNC service in Portland, which increased 125% since May. It is important to note that growth in TNC ridership was partly the result of pent up demand for service, and partly a result of latent demand for service. After the substantial growth seen in the first four months of the Pilot program, it is unclear when TNC ride numbers will plateau and stabilize.

Two key positive highlights from this report focused on service to East Portland and Accessible Transportation. East Portland, which is an area typically underserved in many aspects, especially transportation, saw a nearly 50% increase in taxi and TNC service during the four-month Pilot Program. For Accessible Transportation, TNCs were able to consistently provide WAV service with the lowest wait times. Concurrently, taxi on-demand WAV service reduced their wait times by 5 minutes on average.

In many respects, taxi and TNC service had similar patterns across a variety of performance metrics, both taxis and TNCs provided the greatest number of rides in areas closest to the City Center, but TNCs tended to provide a greater proportion of their service in this concentrated area than taxis. Important distinctions are also found. Both TNCs and taxis saw peak ridership during the weekends, coupled with lower numbers during the weekdays. Taxis tended to provide the most of their service during the afternoon (12 pm - 5 pm) and overnight hours (2 am - 6am), the latter of which were likely due to travel for early morning airport flights. In contrast, TNCs tended to provide their greatest level of service during the evening and late night hours (8 pm - 2 am).

TNCs provided consistently shorter wait times than did taxis, with average wait times at the end of the Pilot Program just over four minutes, while taxi wait times averaged just under eight minutes. Over the four months, taxis were able to reduce average wait times by about one minute. Overall, ridership within Portland increased markedly in just the first four months of the Pilot. From May to August, ridership increased by 40%, suggesting that consumer demand for retail transportation service is now being much better served by Portland's taxi companies and TNCs.

## 11. REFERENCES

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National Council on Disability. (2015). *Transportation Update: Where We've Gone and What We've Learned*. Washington, DC: U.S. Government Printing Office.

U.S. Senate Committee on Health, Education, Labor & Pensions. (2014). *Fulfilling the Promise: Overcoming Persistent Barriers to Economic Self-Sufficiency for People with Disabilities*. Washington, DC: U.S. Government Printing Office.

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Judith Mowery, Office of Equity and Human Rights  
PFHT Innovation Task Force



February 27, 2017

Representative Adam Wool, Vice Chair  
House Labor and Commerce Committee  
State Capitol, Room 412  
Juneau AK, 99801

**Re: House Bill 132 Transportation Network Companies - SUPPORT**

Dear Representative Wool:

The American Insurance Association (AIA), National Association of Mutual Insurance Companies (NAMIC), and the Property Casualty Insurers Association of America (PCI) are writing in support of HB 132. We believe that HB 132 (like SB 14) aligns Alaska with the National Conference of Insurance Legislators (NCOIL) model legislation on transportation network companies (TNC).

The NCOIL model provides clarity on insurance issues and affords the most protection for consumers whenever a TNC operates in Alaska. In particular, we appreciate your efforts in ensuring that coverage for underinsured and uninsured is included, clarifying insurance disclosure, and removing language that could have led to confusing coverage interpretation.

If you need further assistance on the insurance aspects of HB 132 or have additional questions, feel free to contact anyone of us: Armand Feliciano, ACIC Vice President (PCI / 916-205-2519/ [armand.feliciano@pciaa.net](mailto:armand.feliciano@pciaa.net)), Christian Rataj, Senior Director (NAMIC/ 303-907-0587/ [crataj@namic.org](mailto:crataj@namic.org)), or Katherine Pettibone, Vice President (AIA/ 916-442-7617/ [kpettibone@aiadc.org](mailto:kpettibone@aiadc.org)).



February 21, 2017

Rep. Louise Stutes, Co-chair, House Transportation Committee  
Members House Transportation Committee  
State Capitol Room 406  
Juneau, Alaska 99801

**RE: H 132 (Wool): Transportation Network Companies**

Dear Co-Chair Stutes and Members of the House Transportation Committee,

We are writing to support House Bill 132 (Wool), which would create a statewide regulatory framework for the operations of Transportation Network Companies (TNCs) in the State. Passage of House Bill 132 would create the opportunity for Lyft to operate in the State of Alaska.

Lyft is a San Francisco-based TNC that was founded in 2012. Our smartphone application facilitates convenient peer-to-peer ridesharing in more than 200 cities across the United States. Through our app, Lyft currently connects millions of safe, reliable and convenient rides every single week and has generated more than a billion dollars of increased economic activity since our launch. Lyft is eager to share the benefits of ridesharing in Alaska with its residents and visitors.

As of this year, thirty eight states across the country have passed comprehensive statewide legislation that regulates Lyft in a safe and robust manner. We hope that Alaska will join that effort and allow consumers to have the ability to choose Lyft. Thank you for your consideration of this measure and request your support for House Bill 132.

Sincerely,

A handwritten signature in blue ink, appearing to read 'AR Chang', is written over a light blue circular stamp.

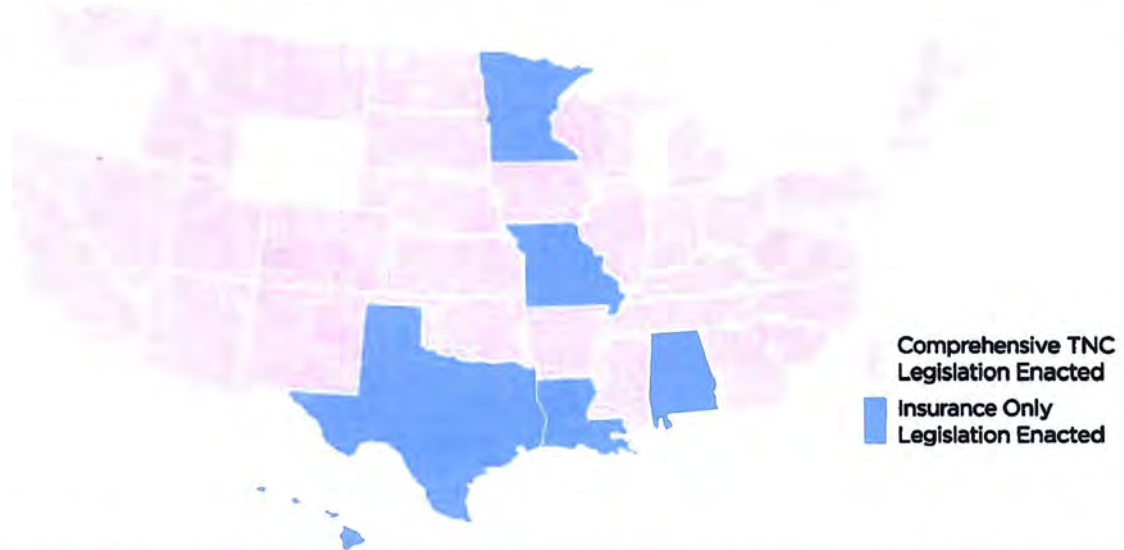
Annabel R. Chang  
Director of Public Policy

# What is Lyft?

**Lyft introduced on-demand ridesharing in 2012** - a friendly, safe, and affordable transportation option that fills empty seats in passenger vehicles already on the road by matching drivers and riders via a smartphone application.

**Lyft now matches over 18M rides per month** across 200+ cities from San Diego to Boston.

**Staying true to our initial vision and long-term goal**, the 2014 launch of **Lyft Line** enables multiple parties traveling separately to be matched with a common driver to maximize route and fuel efficiency. Drivers can also indicate their intended destination before accepting a ride request to maximize vehicle occupancy during incidental rides.



**Mayor Eric Garcetti**  
(Los Angeles)

**"This is an exciting moment for Los Angeles** as we work to embrace technology to improve our transportation options and save people money. This decision allows new, cost-effective solutions while protecting public safety through common sense regulations."

**Senator Cory Booker**  
(New Jersey)

**"There are all these [collaborative consumption] companies starting up. It's actually helping all of us enter a world of entrepreneurial interaction in a way that is so democratic that people are now given the tools to control their economic destiny."**

**Governor Doug Ducey**  
(Arizona)

**"I'm proud to sign common sense legislation that further reduces limitations to success while supporting enterprise and job growth in our state."**

**Michigan State House Republicans**  
(2015 Action Plan)

**"As new transportation services like [Lyft] emerge, legislation is needed to welcome entrepreneurial opportunities. We can provide uniform and predictable pathways to conduct business in Michigan and provide employment opportunities for Michigan residents."**

# Impact

A 2016 analysis of Lyft rides and a national survey of users provides insight into why passengers and drivers choose Lyft:

## for Drivers

- **Drivers earn meaningful, supplemental income** — a 2016 survey shows 57% of driver earnings are used to cover primary expenses like food, housing, and medical expenses.
- **Drivers require an extremely flexible schedule that adjusts to their personal obligations and availability** — 93% of drivers feel flexible hours are very/extremely important.
- **This combination of income and flexibility empowers drivers to start or maintain their own business** — In a recent survey, over 26% of drivers also own a business and 74% of those business owners say earnings from Lyft driving allow them to continue operating their business.
- **Drivers and passengers make lasting connections** — 87% of drivers say they have given a ride to a neighbor and more than half say a ride resulted in a friendship or business connection.

## for Passengers

- **Passengers have additional transportation options** — especially when public transit is not available or does not service an area of interest. A 2016 survey showed 47% of Lyft passengers use Lyft to get around when public transit does not operate.
- **Passengers say because of Lyft** they are more likely to go out more often or stay out later (70%), explore new areas of their city (60%) and spend more at local businesses (49%).
- **Passengers often use Lyft** for commuting, errands, medical appointments, and connecting to public transportation. A 2016 survey shows that 22% of passengers use Lyft to connect to public transportation.
- **Cashless transactions enhance safety** for passengers as well as drivers. 94% of passengers agree that Lyft's transaction is safer and more convenient than cash.

## for Communities

- **49% of passengers spend more money at local businesses because of Lyft.** A recent study of twenty metropolitan areas estimated Lyft added \$750 million in new spending to local economies in 2016.
- **Passengers chose to travel more safely.** 88% of passengers are more likely to avoid driving while impaired because of Lyft.
- **Lyft helps cities develop transportation plans** that appeal to a growing demographic of carless households. In a recent survey, more than half of passengers said they use a personal vehicle less because of Lyft and 34% said they were more likely to avoid owning a personal vehicle entirely.

# Lyft Smartphone App

## HOW IT WORKS FOR PASSENGERS



**Download:** Get the app on your smartphone and input your credit card information.



**Request:** Tap a button to request a ride and view estimated time of arrival.



**Get matched:** Based on proximity and ratings, get matched and track driver location in real-time.



**Pay:** When your ride is complete, review fare and submit payment electronically — no cash is exchanged.



**Rate:** After the ride, rate your driver and leave optional comments based on safety, navigation, friendliness, and cleanliness of car.

## HOW IT WORKS FOR DRIVERS



**Download:** Get the app on your smartphone, input your personal car year, make and model.



**Get screened:** Move through strict screening process including criminal background and driver record checks.



**Get onboarded:** If approved, complete welcome process. Only approved members can access driver mode.



**Drive:** After reviewing passenger location, photo, and rating, accept rides as they appear on your smartphone.

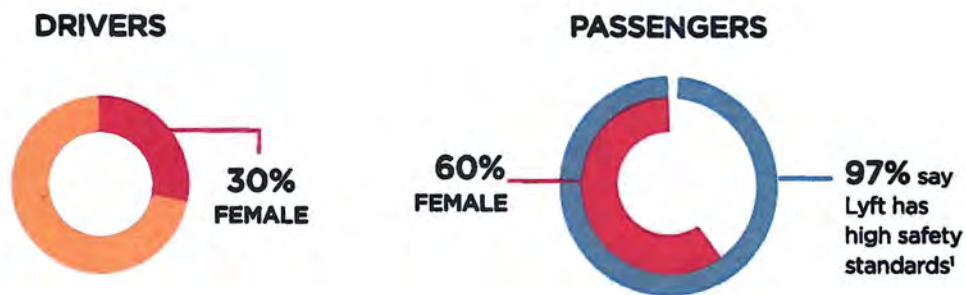


**Rate:** After the ride, rate your passenger and leave optional comments. Driver is not shown what rider paid.

# A Welcoming Space

## Women Across America Feel Safer With Lyft.

Lyft places a strong emphasis on safety. With our strict criminal background and driving record checks for drivers, GPS ride tracking, in-app feedback, 24-hour Trust & Safety team, and two-way rating system, it's no surprise that women across the country trust Lyft.



### Women leading at Lyft:

When making decisions that affect driver and passenger safety, women at Lyft are leading the way.

- Mary Winfield | VP of Trust
- Tali Rapaport | VP of Product
- Kelly Kay | VP of Compliance
- Melissa Waters | VP of Marketing
- Kristin Sverchek | General Counsel

“Keeping women safe is a key focus, one that is at the forefront of every decision we make. We are constantly working to ensure every ride is a comfortable ride by providing comprehensive emergency support for our drivers and passengers at any time.”

Mary Winfield, VP of Trust

# Background Check Reports

**Safety is our biggest contribution** - Innovative features like in-app driver and vehicle identification, GPS ride tracking, two-way ratings, electronic trip summaries and a 24/7 Trust & Safety team add an unprecedented level of transparency and accountability on top of driver background checks.

**Lyft relies on background screening experts** - To provide quality background checks using a trace of an applicant's social security number, name, and address. These background checks access county court records directly for the most up-to-date information.

**Expert background checks access records from all 50 states** - Law enforcement record checks of a single state is of limited value as people move easily between states.<sup>1</sup>

**Expert background checks are conducted in real time from up-to-date court record** - FBI law enforcement records may not reflect arrest information for up to 24 days or court disposition information for up to a month, if at all.<sup>1</sup>

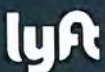


More than half of states now regulate Lyft as a Transportation Network Company (TNC), a category distinct from all other private passenger transportation services.

States with signed TNC safety legislation:	<b>36</b>
States requiring TNC driver fingerprints:	<b>zero</b>
Cities (>250K) with Lyft TNC service:	<b>79</b>
Lyft cities requiring TNC driver fingerprints:	<b>zero</b>

**"If you look at what's being done as far as the regulation of drivers... is there room for a private entity to do those background investigations? I think there [is].<sup>2</sup>"**

**Maj. Johnny Jones**  
Commanding Officer,  
Motor Carrier Compliance,  
Georgia State Dept of Public Safety



1. Background checks are performed by a third-party provider. Lyft does not store or use any personal information from background checks.

2. Source: <http://www.foxnews.com/story/2015/08/11/transportation-network-companies-should-be-allowed-to-run-their-own-background-checks>

BACKGROUND CHECK REPORTS

# Community Solutions

Lyft is a community-powered ridesharing platform. Through the Lyft mobile app, locals who need rides are connected with nearby neighbors who can provide rides. We believe every community deserves access to safe, reliable, and affordable transportation.

## Transportation Deficit

**Millions of Americans lack access to a car or have difficulty accessing public transit.**

Underserved individuals may include the elderly, people with disabilities, or those with low incomes.<sup>1</sup> Innovations like Lyft can help close the gap.

- Fewer than 50% of Americans report living within ¼ mile of a transit stop.
- The average American household spends roughly 18% of its income on transportation. Lower-income families spend as much as 33%.
- Studies show that people who live within walking distance of transit stops or are able to ride to them have a better chance of finding employment.
- Transit services rarely accommodate the atypical schedules of low-income employees working outside of the 9 a.m. - 5 p.m. commute pattern.
- Only 4% of the lowest paid workers report access to workplace flexibility, compared to 41% of the highest paid workers.<sup>2</sup>

**63%**

of Chicago Lyft rides start and/or end in areas underserved by existing transportation

**2x**

Lyft rides in the District of Columbia underserved areas have kept pace with the rest of the district, doubling since April 2014

## Commitment to Change

Lyft is committed to continued development in underserved areas, and is guided by these core values:

1

### Empowerment

Empower communities by providing an innovative platform centered around neighbors helping neighbors

2

### Opportunity

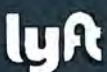
Create new economic opportunities through ridesharing and increase overall transportation access

3

### Partnership

Partner with local organizations representing underserved areas to advance both our missions

1 U.S. Federal Transit Administration. Transportation Needs of Disadvantaged Populations. FTA Report No. 0030, February 2013  
2 U.S. Department of Health & Human Services ASPE Report. "Work-Family Supports for Low-income Families" March 2014



Lyft is a community-powered ridesharing platform. Through the Lyft mobile app, locals who need rides are connected with nearby neighbors who can provide rides. We believe every community deserves access to safe, reliable, and affordable transportation.

Let us know at [lyft.com/community-solutions](http://lyft.com/community-solutions)

COMMUNITY SOLUTIONS

# Driver Background Checks

**Every driver who applies to become a part of the Lyft community is screened for criminal offenses and driving incidents.**

**Each background check includes:**



**A social security number trace** – searches against a database of over 400 different sources such as property deeds/mortgages, vehicle registrations, licenses and permits, US Postal Mail Forwarding Service, utility company billing records, and other resources where the individual has used the social security number along with a name and an address. This search generates a history of past and present addresses and a list of names associated with those addresses, including aliases, maiden names, nicknames and names misspelled or variously transliterated across languages.



**An enhanced nationwide criminal search** – searches against hundreds of millions of records collected from all over the country, including state Department of Corrections, most wanted lists, and outstanding warrants as a part of SterlingBackCheck criminal background screening services.



**County court records** – directly searches criminal records from courts within any U.S. counties that the prior searches have identified as linked to the applicant. This search reveals any felony or misdemeanor cases and their final outcome, or current status if the matter is still pending.<sup>1</sup>



**Federal criminal court records** – This search identifies criminal case details and outcomes from any of the 94 U.S. federal district courts.



**U.S. Department of Justice 50-state sex offender registry search** – searches the publicly available Federal Department of Justice (DOJ) Sex Offender Registry which includes real-time listings of registered sex offenders and other violent offenders in all 50 states.<sup>2</sup>



## **Background Check**

Screens for the following crimes as reported by credit reporting agency<sup>1</sup>:

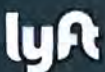
- Violence
- Sexual Offenses in the publicly available sex offender registry
- Felonies
- Drug-related Offenses



## **Driving Record Check**

Screens for the following as reported by credit reporting agency:

- Age 21+ with 1 year or more of driving history<sup>3</sup>
- Valid personal auto insurance that meets or exceeds state requirements
- No more than three minor violations in the past 3 years
- No major or severe violations in the past 3 years (e.g. reckless driving)



1. This search is not available in all states. For more information, visit [www.lyft.com/legal](https://www.lyft.com/legal).

2. This search is not available in all states. For more information, visit [www.lyft.com/legal](https://www.lyft.com/legal).

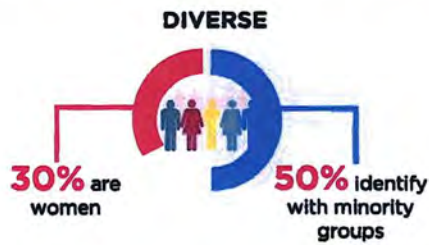
3. This search is not available in all states.

DRIVER BACKGROUND CHECKS

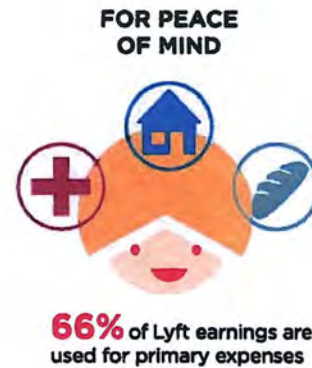
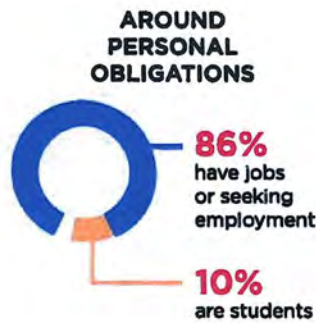
# Lyft Driver Community

## Driver Profile

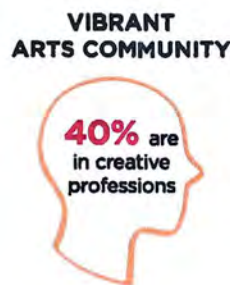
Drivers undergo a rigorous screening process prior to approval and high standards are enforced via real-time passenger ratings after each ride.



## Flexible Supplemental Earnings



## Community Benefits



# Environmental Impact

Ridesharing delivers reliable transportation, reduced emissions.

**Ridesharing is transforming mobility — Lyft is supporting a car-free lifestyle, reducing traffic congestion, and curbing air pollution.**

**Lyft Line** matches riders with other passengers going in the same direction, enabling two or more parties to share a ride and save up to 60% on their fares. Launched in August 2014, Lyft Line now accounts for over 50% of Lyft rides in cities like San Francisco, resulting in higher vehicle occupancies and reduced vehicle miles traveled (VMT).

**Driver Destination** allows drivers to set their own destination and pick up passengers along the way, earning extra money and taking cars off the road.

**Lyft for Work** enables employers to give workers Lyft credits for carpooling programs that complement public transit. For example, employers can tailor their Lyft service to connect employees with local rail or transit stops during commute hours.

Shared rides make a big impact

**SAVES 700 Million gallons of fuel**<sup>1</sup>



**SAVES \$2.2 Billion annually**<sup>1</sup>

**13 Million FEWER vehicle miles traveled**<sup>1</sup>

Lyft Line reduces pollution, traffic, and cost

**95% rides can be shared**<sup>2</sup>



**40% reduction in miles driven**<sup>2</sup>

Ridesharing changes driving behavior



**50%** Can now avoid owning a vehicle  
**70%** Use personal vehicle less

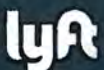
Ridesharing complements public transit



**20%** Lyft rides begin or end at Bay Area CalTrain or BART stations

**“Enabling people who were already driving somewhere to seamlessly pick up a passenger gets us one step closer to real-time, dynamic ride-sharing. This will not only help reduce the number of cars on our congested roads, it will also cut our oil demand and carbon pollution.”**

**Amanda Eaken**  
Deputy Director of Urban Solutions  
Natural Resources Defense Council



<sup>1</sup>Source: Lyft, 2014. Based on a study of 100 million Lyft rides in San Francisco, CA. The study found that Lyft Line saves 700 million gallons of fuel annually, saves \$2.2 billion annually, and reduces 13 million vehicle miles traveled.

<sup>2</sup>Source: Lyft, 2014. Based on a study of 100 million Lyft rides in San Francisco, CA. The study found that 95% of Lyft Line rides can be shared, resulting in a 40% reduction in miles driven.

<sup>3</sup>Source: Lyft, 2014. Based on a study of 100 million Lyft rides in San Francisco, CA.

# Insurance Overview

**Insurers across America are moving quickly** to respond to consumer demand and bring new ridesharing insurance products to market. Lyft currently provides insurance coverage at all parts of a ride to ensure a safe trip.

## How Do Lyft's Policies Work?

The subject of insurance can be a complicated one, but it's important to know how and when Lyft's policies respond in the event of an incident. The following is an overview of Lyft's insurance policies. There are four coverages included. Unless otherwise noted, these coverages are in effect from the time a driver accepts a ride request until the time the ride has ended in the app.

- Contingent Liability (coverage only when available to accept a ride request)
- Primary Automobile Liability
- Contingent Comprehensive & Collision
- Uninsured/Underinsured Motorist (UM/UIM)



- **DRIVER MODE OFF**  
A driver's personal insurance is the insurance policy.

- **DRIVER MODE ON BUT NOT YET ACCEPTED A RIDE**  
Lyft provides Contingent Liability protection if personal insurance does not.

- **RIDE REQUEST ACCEPTED THROUGH THE END OF LYFT RIDE**  
Lyft's liability coverage is primary to a driver's personal insurance. It's designed to cover a driver's liability for property damage and bodily injury to passengers and/or third parties.

Lyft's uninsured and underinsured motorist, contingent collision, and contingent comprehensive policies are available during this period

## How Does Lyft's Liability Coverage Work?

Lyft's liability insurance is designed to act as the primary coverage from the time drivers accept a ride request until the time the ride has ended in the app. *Note: If a driver has commercial insurance or a Transportation Network Company endorsed policy, Lyft's policy remains excess.*

## How Does Contingent Liability Coverage\* Work?

Lyft's contingent liability policy is designed to provide coverage **when the app is in Driver Mode before a driver receives a ride request** in the event personal insurance does not respond. The policy has a \$50,000 maximum per person, \$100,000 maximum per accident, and a \$25,000 maximum for property damage. There is **no deductible** under this policy.

*\*Coverage in this period may be modified by city or state specific requirements.*

## How Does Contingent Collision Coverage Work?

Lyft's contingent collision policy is designed to cover physical damage to a driver's vehicle resulting from an accident as long as **a driver has obtained collision coverage on a personal automobile policy**. The policy has a \$2,500 deductible and a \$50,000 maximum for physical damage to the driver's vehicle.

## How Does Contingent Comprehensive Coverage Work?

Similar to Lyft's contingent collision policy, contingent comprehensive coverage is designed to cover physical damage to a driver's vehicle resulting from a non-collision event (for example, a fire, vandalism, a natural disaster, etc.) **as long as the driver has obtained comprehensive coverage on a personal automobile policy**. The policy has a \$2,500 deductible and a \$50,000 maximum for physical damage to the driver's vehicle.

## What Does UM/UIM Mean And How Does This Coverage Work?

UM stands for uninsured motorist and UIM stands for underinsured motorist. In the event of an accident during a Lyft ride with an uninsured or underinsured motorist who is at fault, Lyft's \$1M UM/UIM policy will provide coverage for bodily injury to drivers and passengers. There is no deductible on UM/UIM claims.

## What States Are Covered By These Policies?

Our policy is available in all states in the U.S, except New York state. Some regions may have specific requirements that modify the described coverage.

"The TNC laws now on the books put an end to consumer confusion regarding insurance coverage, while also allowing for continued marketplace innovation. As new transportation ideas evolve to meet consumers' needs and demands, insurers are developing new products to cover those ideas and provide peace of mind.<sup>1</sup>"

— Property Casualty Insurers Association of America

# Lyft Access

Lyft expands transportation access. **We believe everyone benefits from ridesharing innovation.**

Ridesharing allows people in our communities to get around conveniently and affordably, expanding independence for the elderly and thousands with disabilities. And Lyft has been designed with accessibility in mind:

"Of the nearly 2 million people with disabilities who never leave their homes, 560,000 never leave home because of transportation difficulties."

American Association of People with Disabilities

- **Request a ride from wherever you are.** Real-time arrival estimates and alerts mean no difficult street hailing or uncertain wait times.
- **Voiceover capability** in the app makes it easy for those who are blind or have low vision to request a Lyft ride.
- **Cashless payments and ride summary emails** eliminate the possibility of blind or cognitively disabled passengers receiving incorrect change or unknowingly being charged.
- **All Lyft vehicles are accessible to individuals who can enter a standard vehicle with assistance,** and those using foldable wheelchairs who can transfer to a standard seat while drivers stow their devices in the back seat or trunk. Lyft drivers are more than happy to provide this assistance.
- **Lyft's anti-discrimination policy** strictly prohibits discrimination based on disability or the presence of service animals.

"Lyft gives people with Down syndrome and other intellectual and developmental disabilities additional transportation options, which enables them to become more independent. For people with disabilities, Lyft is a great resource and service."

Sara Hart Weir, President of the National Down Syndrome Society

# Lyft Line

Lyft Line connects neighbors traveling in the same direction through a mobile-based application. Line is efficient, affordable, and scalable shared transit that comes to you.

## Line Basics

In the US, vehicle occupancy on work commutes is the lowest in nearly 40 years<sup>1</sup> with nearly 80% of commuters traveling by car alone.<sup>2</sup> Road congestion wastes over 2.9 billion gallons of fuel, adds 56 billion pounds of greenhouse gases to the atmosphere, and results in 5.5 billion hours of productivity lost to traffic at an average annual cost of \$818 per commuter.<sup>3</sup>

MIT researchers recently estimated that if NYC riders were willing to wait an extra five minutes per trip to pick up other passengers, almost 95% of trips could be shared and travel time could be reduced by more than 30%.<sup>4</sup>

Every day, 90% of Lyft rides in San Francisco have someone else taking the same trip within five minutes so we connected them and created a new way to ride.

## How Lyft Line Works

1. Passengers input pick-up and drop-off locations and the Lyft app will match them with another passenger traveling in the same direction.
2. Because the drop-off destination is pre-set, Lyft Line calculates a fee up to 60% less than a private Lyft.
3. Passengers can enjoy the ride and chat with members of their own community.

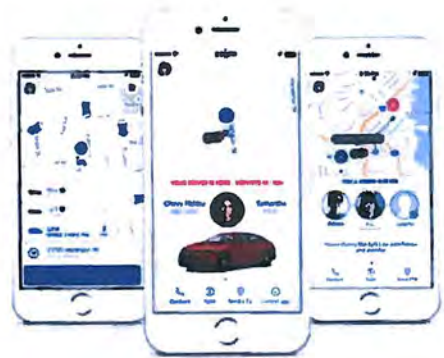
## Highlights

**40%**

of all Lyft rides in San Francisco use Lyft Line.

**700 Million**

Gallons of fuel saved annually by a modest 3% increase in rideshare usage.



# Lyft & **Public Safety**

With just a tap, Lyft connects passengers with friendly local drivers providing safe, reliable rides.

## Lyft Makes Our Cities **Safer**

Studies have shown that availability of services like Lyft in an area improve road safety, **reduce alcohol-related driving arrests by up to 51%**, and reduce assault and disorderly conduct arrests by up to 42%<sup>1</sup>

## **Innovations** in Safety

All rides are tracked via GPS from start to finish, and passengers can share their route and ETA with friends and family easily from their smartphone.

Riders receive a trip summary, which shows the driver's photo and name, date and time of the ride, in addition to the pickup and drop off location.

Lyft's Trust & Safety team proactively reviews the 360 degree feedback provided by the passenger and driver after each ride, as well as providing a 24/7 critical response phone line.

"Lyft has been the only TNC that has acknowledged that safety is not only a priority, but there should also be some overarching rules and regulations. We applaud Lyft for its leadership in this area."<sup>2</sup>

- California Public Utilities Commission

## A **Welcoming** Space

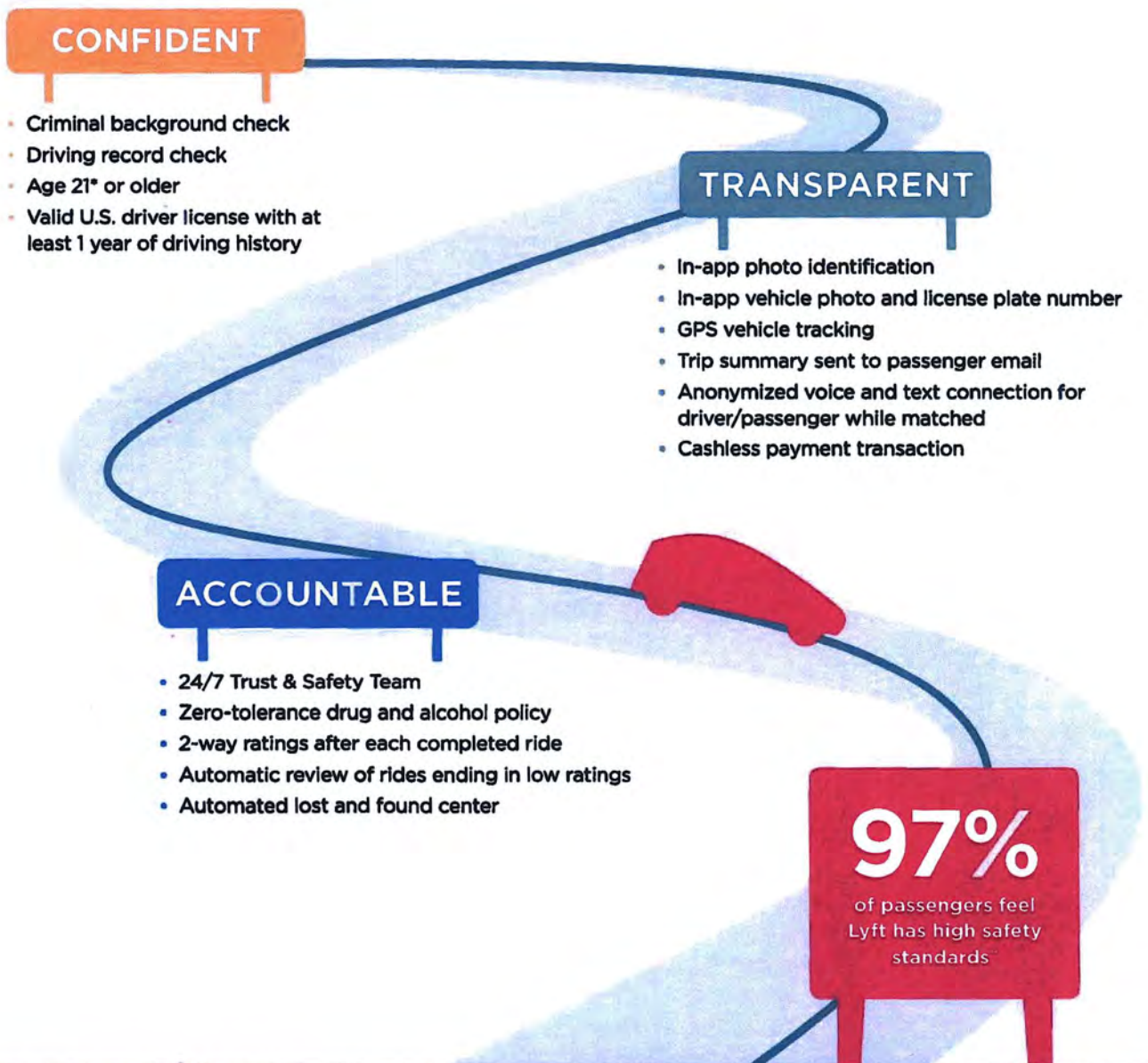
Women are traditionally underrepresented in for-hire transportation — only 12.7% from 2015 BLS estimates — due to risk factors that include carrying cash and lack of passenger information and accountability. Lyft's improvements in trust, accountability, and transparency are key reasons why **women now account for nearly 30% of drivers on the Lyft platform and 60% of passengers.**

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For more information or to request a presentation for your department, contact us at [OfficerTraining@lyft.com](mailto:OfficerTraining@lyft.com)

# Trust & **Safety**

**Consumers want safer transportation. The Lyft platform was designed with a holistic approach to safety.** A wide range of innovative features keep both drivers and passengers feeling confident, informed, and accountable at all times.



# Zero Tolerance Policy

## ISSUE IDENTIFICATION

Passengers are encouraged to call or email Lyft Support if they suspect a driver is under the influence of drugs or alcohol.

Lyft will immediately suspend the driver's access to the app pending an investigation.

Lyft also actively monitors passenger feedback for indicators of a zero tolerance policy violation.

Less than 0.004% of Lyft rides to date have resulted in zero tolerance investigations.

## FEEDBACK MONITORING

Lyft automatically monitors passenger feedback for keywords that may indicate a violation of the zero tolerance policy. The Lyft Trust & Safety team reviews concerning comments. If a violation of the zero tolerance policy is suspected, the driver is suspended while the Trust & Safety team conducts an investigation.

The monitoring parameters are intentionally broad to ensure that Lyft errs on the side of caution. For example, passenger feedback containing the phrase "drug store" would trigger a Trust & Safety review because the word "drug" was used.

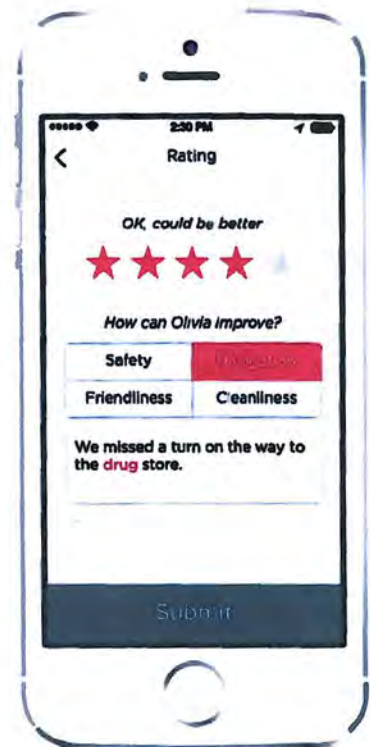
As a result, the overwhelming majority of the monitoring alerts prove to be non-actionable.

## INVESTIGATION AND CONCLUSION

In the course of a zero tolerance investigation, Lyft will contact the passenger for further details relating to a suspected zero tolerance policy violation.

Prior passengers of a driver under investigation will be contacted if necessary.

If an investigation results in definitive evidence or even a strong suspicion of a zero tolerance policy violation, the driver will be permanently deactivated.



# UBER AND INDEPENDENT BUSINESSES

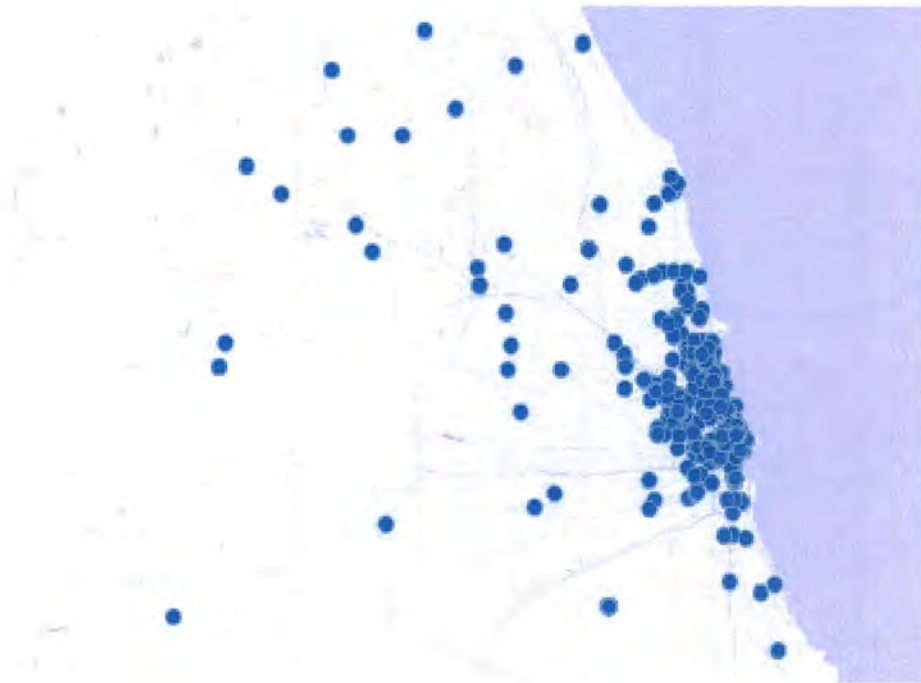
Small and independent businesses provide countless benefits to our local communities. By expanding access to transportation, Uber helps bring new customers to small businesses all over the city.

## GROWING MARKETS

One of the largest costs to businesses is real estate. Choosing locations near major highways and mass transit or renting additional parking lot space increases operating costs. Unfortunately, without the right location or parking capacity, a business cannot grow.

Uber helps solve this problem. By combining low wait times with broad coverage, riders can patron businesses all over the city without worrying about finding parking or how to get home. Businesses, particularly those most cost sensitive, are able to bolster their revenues without additional cost.

Approximately 10% of Uber trips end at identified small and independent businesses.



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### RIDERS VISIT INDEPENDENT BUSINESSES

Each dot represents the dropoff of a completed Uber ride to an identified small business in Chicago.

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Data is from October 2015.



# ECONOMIC IMPACT REPORT

lyft

2017

How the Lyft community is  
increasing support for local economies,  
earning more supplemental income,  
and improving the health of their cities.

*A decade ago, Lyft embarked on a mission to improve lives with the world's best transportation. Now, we're a powerful driver of change for millions of people in over 200 cities nationwide.*

*And we're just getting started.*

---

Every year, we take a moment to understand a part of that change — our community's economic impact.



**\$750  
million  
generated**

---

Lyft passengers spend an additional \$750+ million in local economies.

**\$1.5  
billion  
earned**

---

Lyft drivers have earned over \$1.5 billion for their families and professional ventures.

**\$500  
million  
saved**

---

Lyft passengers saved over 26 million travel hours compared to alternate transportation modes.

*That time savings is valued at over \$500 million.*

### Methodology

Lyft surveyed more than 38,000 passengers and 15,000 drivers in 20 major cities in 2016.

Survey analysis was conducted by Bill Lee and Tanya Chiranakhon from the Land Econ Group.

Atlanta | Baltimore | Boston | Chicago | Dallas-Fort Worth | Detroit | District of Columbia | Jacksonville | Los Angeles | Miami | Nashville | New Jersey | Orlando | Philadelphia | Phoenix | Pittsburgh | San Diego | San Francisco | Seattle | Tampa



# Increased Local Spending

From errands to date nights, people are getting to more areas of their cities, spending more at local businesses, and staying out longer with a safe ride home.



**Lyft  
passengers  
spent an  
additional  
\$750 million  
in local  
economies.**

*Nearly half of passengers spend  
more money at local businesses  
because of Lyft.*

**60%**

now explore hard-to-reach areas of their city.

**75%**

get to more local bars & restaurants.

**70%**

go out more often and stay out longer.

## **24/7 Reliability**

**28%** of Lyft rides start in low income areas, which often lack reliable transportation.<sup>1</sup>

**47%** of Lyft passengers use Lyft to get around when public transit doesn't operate.

**24%** of Lyft rides happen between 10pm–6am.

---

*Passengers choose Lyft when transit options are limited.*

# Passenger Mobility

With Lyft, passengers have a reliable ride for every reason.

**52%**

use Lyft to get to  
the airport.

**39%**

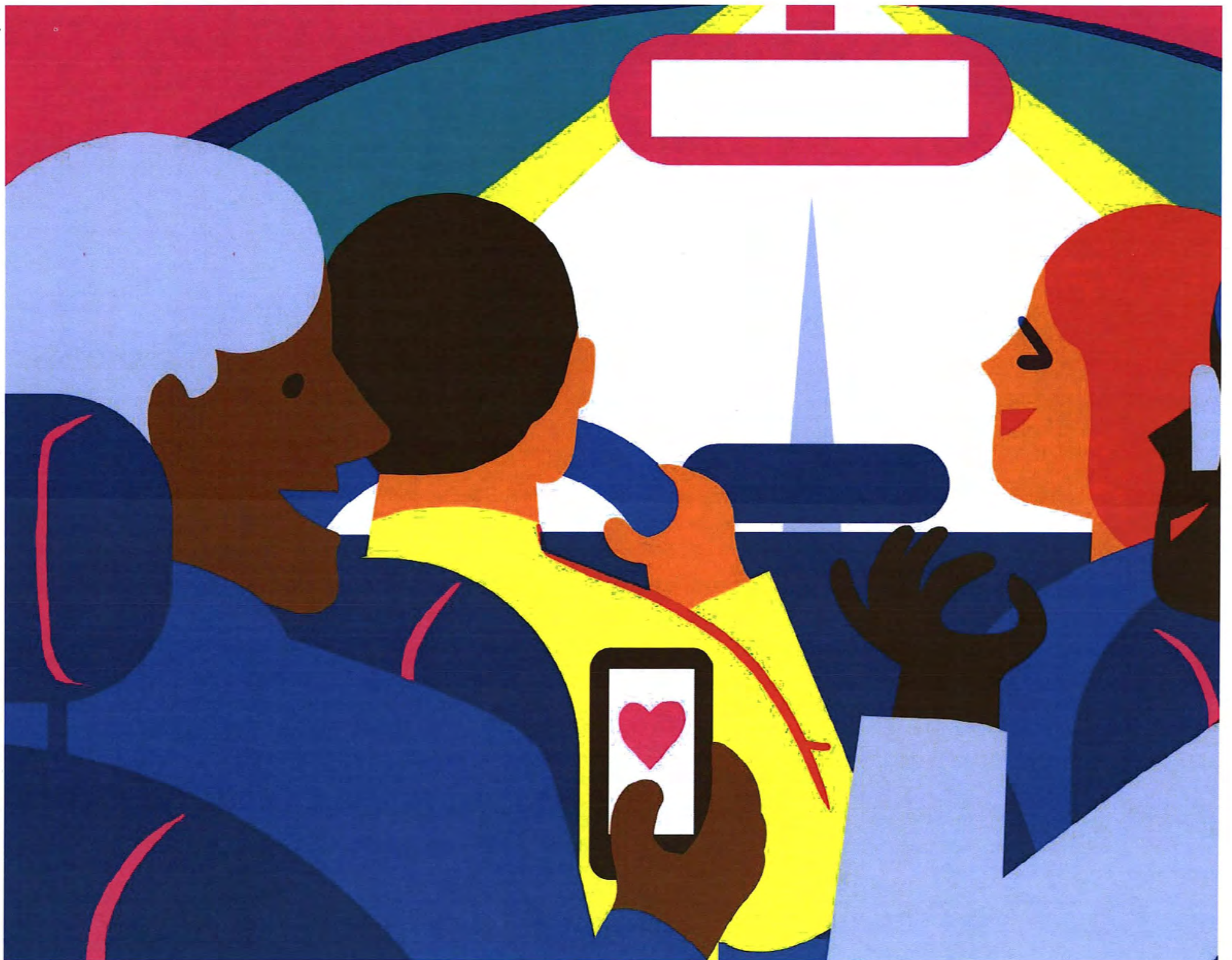
use Lyft to commute.

**30%**

use Lyft for grocery  
shopping or errands.

**16%**

use Lyft for medical  
appointments.





# More Driver Earnings & Opportunities

Lyft drivers are florists, firefighters, artists, students, parents, and everything in between. The majority of drivers are part-time and drive to supplement their earnings.

**Lyft drivers  
earned over  
\$1.5 billion  
nationally  
for their  
families and  
professional  
ventures.**

**72%**

are the primary source of  
income for their household.

**26%**

own their own business.

**57%**

of driver earnings help  
cover food, housing,  
medical care, and other  
primary expenses.

**93%**

of drivers are employed,  
seeking employment, full-  
time students, or retired.

## The Lyft Difference

Lyft drivers have earned over \$100 million in tips.

---

*Lyft is the only national ridesharing platform with  
in-app tipping.*

# Flexible Freedom

Lyft drivers choose when they earn. They schedule around full-time jobs, school, and family commitments.

**93%**

say a flexible schedule is very or extremely important.

**88%**

schedule driving around jobs, classes, childcare, and other activities.

**40%**

routinely care for loved ones like children, elders, and adults with disabilities.

**82%**

drive fewer than 20 hours per week.

## Five-Star Connections

90% of Lyft rides are rated five stars.

87% have given a ride to a neighbor.

87% have connected with a new friend or business opportunity from a ride.



# Improved City Health

More people live in cities than ever before, and rapid urbanization is placing increased stress on our transportation infrastructure — one that's built for cars that are used 4% of the time and parked the other 96%.<sup>2</sup>

Lyft is helping state and local governments save millions that would otherwise be spent on drunk driving accidents, non-emergency medical transportation, and infrastructure expansion.

*"Next time you walk outside, pay really close attention to the space around you. Look at how much land is devoted to cars — and nothing else. How much space parked cars take up lining both sides of the street, and how much of our cities go unused covered by parking lots. It becomes obvious, we've built our communities entirely around cars. And for the most part, we've built them for cars that aren't even moving."*

**- John Zimmer, Lyft Co-Founder**

<sup>2</sup>Int'l Assoc. of Public Transport (UITP). Millennium Cities Database for Sustainable Transport. (1995).

# Safer Roads

## In the United States, drunk driving causes 28 fatalities every day.

# 99%

say Lyft rides are a safe space.

# 88%

avoid driving under the influence because of Lyft.

# 53%

use Lyft to transport friends or family who need assistance after drinking.

# 66%

take rides at times known for increased alcohol consumption – weekend evenings.<sup>3</sup>

## Rides to Care

3.6 million Americans miss or delay medical appointments because they don't have reliable transportation.

*Lyft is working with hundreds of health organizations and medical facilities to eventually make that number zero.*

---

Medicare and Medicaid spend \$2.7 billion annually getting people to medical appointments.<sup>4</sup>

*Lyft is reducing the cost by 32%.<sup>5</sup>*



<sup>3</sup> Friday, Saturday, Sunday evenings from 7pm to 2am local time

<sup>4</sup> U.S. Government Accountability Office, Nonemergency Medical Transportation. GAO-16-238 (Washington, DC, 2016).

<sup>5</sup> Jain, Sachin H. "Letting the Outside In: How Ridesharing Provides a Model for Healthcare Transformation." Forbes.com. 6 Sept. 2016.

# Reducing Congestion & Greenhouse Emissions

**34%**  
say they would avoid  
owning a car entirely  
because of Lyft.

**56%**  
use their cars less  
because of Lyft.

**22%**  
use Lyft to connect  
with public transit.

Congestion costs Americans living in cities an additional 6.9 billion hours and an extra 3.1 billion gallons of fuel each year.

*Parking facilities alone cost local governments \$1.9 billion.<sup>7</sup>*

## Time is Money

Passengers saved over 26 million travel hours compared to alternate transportation modes.

*That time savings is valued at over \$500 million.<sup>6</sup>*

<sup>6</sup>Based on US Department of Transportation Value of Travel Time Savings methodology

<sup>7</sup>U.S. Census Bureau, 2013 Census of Governments: Finance - Surveys of State and Local Government Finances.

# Lyft Drives Change

Trends reported by passengers and drivers between 2014 and 2016.

*City selection based on inclusion in surveys from previous years.*



## Boston

More Money Saved on Transportation

\$25.5M



\$3.5M

+600%



## Chicago

More Local Spending

\$68.2M



\$16.4M

+300%



## Los Angeles

More Diverse Drivers

74%



50%

+48%



### San Diego

More local exploration

60.4%



41.1%

+47%



### San Francisco

More DUI avoidance

86.8%



72.9%

+19%



### Seattle

More Local Economy Participation

56.5%



42.7%

+32%



### Washington, DC

More Efficient Transportation

1.95M

hours saved



78,800

+2000%

Cars have  
taken our  
cities.

Let's take  
them back.

# Lyft

The Lyft platform helps millions of people get reliable, affordable rides at the tap of a button.

## Team

1,000+ employees  
10+ offices  
200+ cities

## Community

5 million+ passengers  
315,000+ drivers  
66% of drivers identify as a minority  
27% of drivers are female  
25% of drivers are over age 50  
10% are veterans of the armed forces  
10,000+ partners

lyft

*Adopted*

30-LS0522J  
Wallace  
2/27/17

**CS FOR HOUSE BILL NO. 132(TRA)**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**THIRTIETH LEGISLATURE - FIRST SESSION**

**BY THE HOUSE TRANSPORTATION COMMITTEE**

**Offered:**  
**Referred:**

**Sponsor(s): REPRESENTATIVE WOOL**

**A BILL**  
**FOR AN ACT ENTITLED**

1 **"An Act relating to transportation network companies and transportation network**  
2 **company drivers."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 \* **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section  
5 to read:

6 LEGISLATIVE INTENT. It is the intent of the legislature to clarify the Alaska  
7 Workers' Compensation Act, ensure the safety, reliability, and cost-effectiveness of rides  
8 provided by transportation network company drivers in the state, and preserve and enhance  
9 access to these important transportation options for residents of and visitors to the state.

10 \* **Sec. 2.** AS 09.65 is amended by adding a new section to read:

11 **Sec. 09.65.350. Immunity for certain actions related to transportation**  
12 **network companies.** (a) The state or a municipality, and the officers, employees, and  
13 agents of the state or a municipality, are not liable in tort for damages for the injury to  
14 or death of a person or property damage resulting from an act, omission, or failure of a

1 transportation network company or driver to comply with the requirements of  
2 AS 28.23 or other law.

3 (b) In this section, "transportation network company" and "driver" have the  
4 meanings given in AS 28.23.180.

5 \* **Sec. 3.** AS 21.96 is amended by adding a new section to read:

6 **Sec. 21.96.018. Transportation network company insurance provisions.** (a)

7 Insurers that write automobile insurance in the state may exclude, notwithstanding any  
8 requirement under AS 28.20, any and all coverage afforded under the policy issued to  
9 an owner or operator of a personal vehicle for any loss or injury that occurs while a  
10 driver is logged onto the digital network of a transportation network company or while  
11 a driver provides a prearranged ride. The right to exclude all coverage may apply to  
12 any coverage included in an automobile insurance policy, including

13 (1) liability coverage for bodily injury and property damage;

14 (2) uninsured and underinsured motorist coverage;

15 (3) medical payments coverage;

16 (4) comprehensive physical damage coverage; and

17 (5) collision physical damage coverage.

18 (b) Nothing in this section

19 (1) implies or requires that a personal automobile insurance policy  
20 provide coverage while the driver

21 (A) is logged onto the digital network of a transportation  
22 network company;

23 (B) is engaged in a prearranged ride; or

24 (C) otherwise uses a personal vehicle to transport passengers  
25 for compensation;

26 (2) may be construed to require an insurer to use specific policy  
27 language or to refer to this section in order to exclude any and all coverage for any  
28 loss or injury that occurs while a driver

29 (A) is logged onto the digital network of a transportation  
30 network company; or

31 (B) provides a prearranged ride; or

1 (3) precludes an insurer from providing coverage for the personal  
2 vehicle of a transportation network company driver if the insurer chooses to provide  
3 coverage by contract or endorsement.

4 (c) Automobile insurers that exclude coverage under (a) of this section do not  
5 have a duty to defend or indemnify any claim expressly excluded under (a) of this  
6 section. Nothing in this section may be considered to invalidate or limit an exclusion  
7 contained in a policy, including any policy in use or approved for use in this state  
8 before the enactment of this section, that excludes coverage for vehicles used to carry  
9 persons or property for a charge or available for hire by the public.

10 (d) An automobile insurer that defends or indemnifies a claim against a driver  
11 that is excluded under the terms of its policy shall have a right of contribution against  
12 other insurers that provide automobile insurance to the same driver in satisfaction of  
13 the coverage requirements of AS 28.23.050 at the time of loss.

14 (e) In a claims coverage investigation, a transportation network company shall  
15 immediately provide, upon request by directly involved parties or any insurer of the  
16 transportation network company driver, if applicable, the precise times that a  
17 transportation network company driver logged onto and off of the digital network of a  
18 transportation network company in the 12-hour period immediately preceding and in  
19 the 12-hour period immediately following the accident. Insurers potentially providing  
20 coverage shall disclose, upon request of any insurer involved in the claim, the  
21 applicable coverages, exclusions, and limits provided under any automobile insurance  
22 maintained under AS 28.23.050.

23 (f) In this section, "digital network," "personal vehicle," "prearranged ride,"  
24 "transportation network company," "transportation network company driver," and  
25 "driver" have the meanings given in AS 28.23.180.

26 \* **Sec. 4.** AS 23.30.230(a) is amended to read:

27 (a) The following persons are not covered by this chapter:

- 28 (1) a part-time baby-sitter;  
29 (2) a cleaning person;  
30 (3) harvest help and similar part-time or transient help;  
31 (4) a person employed as a sports official on a contractual basis and

1 who officiates only at sports events in which the players are not compensated; in this  
2 paragraph, "sports official" includes an umpire, referee, judge, scorekeeper,  
3 timekeeper, organizer, or other person who is a neutral participant in a sports event;

4 (5) a person employed as an entertainer on a contractual basis;

5 (6) a commercial fisherman, as defined in AS 16.05.940;

6 (7) an individual who drives a taxicab whose compensation and written  
7 contractual arrangement is as described in AS 23.10.055(a)(13), unless the hours  
8 worked by the individual or the areas in which the individual may work are restricted  
9 except to comply with local ordinances;

10 (8) a participant in the Alaska temporary assistance program  
11 (AS 47.27) who is engaged in work activities required under AS 47.27.035 other than  
12 subsidized or unsubsidized work or on-the-job training;

13 (9) a person employed as a player or coach by a professional hockey  
14 team if the person is covered under a health care insurance plan provided by the  
15 professional hockey team, the coverage is applicable to both work-related and  
16 nonwork-related injuries, and the coverage provides medical and related benefits as  
17 required under this chapter, except that coverage may not be limited to two years from  
18 the date of injury as described under AS 23.30.095(a); in this paragraph, "health care  
19 insurance" has the meaning given in AS 21.12.050; [AND]

20 (10) a person working as a qualified real estate licensee who performs  
21 services under a written contract that provides that the person will not be treated as an  
22 employee for federal income tax or workers' compensation purposes; in this  
23 paragraph, "qualified real estate licensee" means a person who is required to be  
24 licensed under AS 08.88.161 and whose payment for services is directly related to  
25 sales or other output rather than the number of hours worked; **and**

26 **(11) a transportation network company driver who provides a**  
27 **prearranged ride or is otherwise logged onto the digital network of a**  
28 **transportation network company as a driver.**

29 \* **Sec. 5.** AS 23.30.230(c) is amended by adding new paragraphs to read:

30 (4) "digital network" has the meaning given in AS 28.23.180;

31 (5) "prearranged ride" has the meaning given in AS 28.23.180;

1 (6) "transportation network company" has the meaning given in  
2 AS 28.23.180;

3 (7) "transportation network company driver" has the meaning given in  
4 AS 28.23.180.

5 \* **Sec. 6.** AS 28 is amended by adding a new chapter to read:

6 **Chapter 23. Transportation Network Companies and Drivers.**

7 **Sec. 28.23.010. Not other carriers.** A transportation network company or  
8 driver is not a common carrier, contract carrier, or motor carrier, and may not provide  
9 taxicab or for-hire vehicle service. The state or a municipality may not require a  
10 transportation network company driver to register the personal vehicle the driver uses  
11 to provide prearranged rides as a commercial or for-hire vehicle.

12 **Sec. 28.23.020. Fare collected for services.** A transportation network  
13 company may charge a fare to a transportation network company rider. Before a fare is  
14 collected from a rider, the transportation network company shall disclose to the rider,  
15 on the company's Internet website or in the company's software application, the  
16 transportation network company's fare or fare calculation method. The transportation  
17 network company shall provide riders the option of receiving an estimated fare before  
18 the rider enters the vehicle of a transportation network company driver.

19 **Sec. 28.23.030. Identification of transportation network company vehicles  
20 and drivers.** Before a rider enters the personal vehicle of a transportation network  
21 company driver, the transportation network company shall display on the company's  
22 Internet website or in the company's software application a picture of the  
23 transportation network company driver and the license plate number of the personal  
24 vehicle providing the prearranged ride.

25 **Sec. 28.23.040. Electronic receipt.** Within a reasonable period following the  
26 completion of a trip, the transportation network company shall transmit to the rider, on  
27 behalf of the transportation network company driver, an electronic receipt showing the  
28 origin and destination of the trip and itemizing the fare paid, if any.

29 **Sec. 28.23.050. Financial responsibility of transportation network  
30 companies.** (a) A transportation network company driver, or transportation network  
31 company on behalf of the driver, shall maintain primary automobile insurance that

1 recognizes that the driver is a transportation network company driver or otherwise  
2 uses a vehicle to transport passengers for compensation and that covers the driver  
3 while the driver is logged onto the digital network of a transportation network  
4 company or while the driver is engaged in a prearranged ride.

5 (b) The following automobile insurance requirements shall apply while a  
6 participating transportation network company driver is logged onto the digital network  
7 of a transportation network company and is available to receive transportation requests  
8 but is not engaged in a prearranged ride:

9 (1) primary automobile liability insurance in the amount of at least  
10 \$50,000 for death and bodily injury for each person, \$100,000 for death and bodily  
11 injury for each incident, and \$25,000 for property damage;

12 (2) uninsured or underinsured motor vehicle coverage as required  
13 under AS 21.96.020 and AS 28.20.440;

14 (3) the coverage requirements of this subsection may be satisfied by

15 (A) automobile insurance maintained by the transportation  
16 network company driver;

17 (B) automobile insurance maintained by the transportation  
18 network company; or

19 (C) any combination of (A) and (B) of this paragraph.

20 (c) The following automobile insurance requirements shall apply while a  
21 transportation network company driver is engaged in a prearranged ride:

22 (1) primary automobile liability insurance that provides at least  
23 \$1,000,000 for death, bodily injury, and property damage;

24 (2) uninsured or underinsured motor vehicle coverage as required  
25 under AS 21.96.020 and AS 28.20.440;

26 (3) the coverage requirements of this subsection may be satisfied by

27 (A) automobile insurance maintained by the transportation  
28 network company driver;

29 (B) automobile insurance maintained by the transportation  
30 network company; or

31 (C) a combination of (A) and (B) of this paragraph.

1 (d) If insurance maintained by a driver under (b) or (c) of this section has  
2 lapsed or does not provide the required coverage, insurance maintained by a  
3 transportation network company must provide the coverage required by this section  
4 beginning with the first dollar of a claim, and the transportation network company  
5 insurer has the duty to defend that claim.

6 (e) Coverage under an automobile insurance policy maintained by the  
7 transportation network company may not be dependent on a personal automobile  
8 insurer first denying a claim nor shall a personal automobile insurance policy be  
9 required first to deny a claim.

10 (f) Insurance required by this section may be placed with an insurer licensed  
11 under AS 21.09.060 or with a surplus lines insurer eligible under AS 21.34 that has a  
12 credit rating not lower than A- from A.M. Best or a similar rating from another rating  
13 agency recognized by the division of insurance.

14 (g) Insurance satisfying the requirements of this section shall be considered to  
15 satisfy the financial responsibility requirement for a motor vehicle under AS 28.20.

16 (h) A transportation network company driver shall carry proof of coverage  
17 under (b) and (c) of this section with the driver at all times during the driver's use of a  
18 vehicle in connection with a digital network of a transportation network company. In  
19 the event of an accident, a transportation network company driver shall provide the  
20 insurance coverage information to the directly interested parties, automobile insurers,  
21 and investigating police officers upon request under AS 28.22.019. Upon that request,  
22 a transportation network company driver shall also disclose to directly interested  
23 parties, automobile insurers, and investigating police officers whether the driver was  
24 logged onto the digital network of a transportation network company or on a  
25 prearranged ride at the time of an accident.

26 (i) If the insurance carrier for the transportation network company makes a  
27 payment for a claim for physical damage to a personal vehicle that is subject to a lien,  
28 the insurance carrier shall pay the claim jointly to the owner of the personal vehicle  
29 and the primary lienholder or directly to the business repairing the personal vehicle.

30 **Sec. 28.23.060. Transportation network company automobile insurance**  
31 **disclosures.** A transportation network company shall disclose in writing to

1 transportation network company drivers the following before the drivers are allowed  
2 to accept a request for a prearranged ride on the digital network of the transportation  
3 network company:

4 (1) the insurance coverage, including the types of coverage and the  
5 limits for each coverage, that the transportation network company provides while the  
6 transportation network company driver uses a personal vehicle in connection with a  
7 transportation network company's digital network;

8 (2) that the automobile insurance policy of the transportation network  
9 company driver might not provide any coverage while the driver is logged onto the  
10 digital network of a transportation network company and is available to receive  
11 transportation requests or is engaged in a prearranged ride, depending on the terms of  
12 the automobile insurance policy of the driver; and

13 (3) that, if the personal vehicle the transportation network company  
14 driver uses to provide transportation network services has a lien against it, using the  
15 motor vehicle for transportation network services without physical damage coverage  
16 may violate the terms of the contract with the lienholder.

17 **Sec. 28.23.070. Certificate of insurance.** A transportation network company  
18 shall file a written certificate of insurance with the director of the division of insurance  
19 demonstrating that the transportation network company has satisfied the requirements  
20 of AS 28.23.050. The certificate of insurance must state that the applicable insurance  
21 policy may not be cancelled unless written notice is provided to the division of  
22 insurance at least 30 days before cancellation.

23 **Sec. 28.23.080. Limitations on transportation network companies.** A  
24 transportation network company is not an employer of transportation network drivers  
25 under AS 23.20.520 and a transportation network company driver is an independent  
26 contractor for all purposes and is not an employee of the transportation network  
27 company if the transportation network company

28 (1) does not unilaterally prescribe specific hours during which a driver  
29 shall be logged onto the digital network of the transportation network company;

30 (2) does not impose restrictions on the ability of the driver to use the  
31 digital network of other transportation network companies;

1 (3) does not restrict a driver from engaging in any other occupation or  
2 business; and

3 (4) enters into a written agreement with the driver stating that the  
4 driver is an independent contractor for the transportation network company.

5 **Sec. 28.23.090. Zero tolerance for drug or alcohol use.** The transportation  
6 network company shall implement a zero-tolerance policy prohibiting drug and  
7 alcohol use while a driver is providing a prearranged ride or is logged onto the digital  
8 network of the transportation network company but not providing a prearranged ride.  
9 The transportation network company shall post the company's zero-tolerance policy  
10 prohibiting drug and alcohol use on the company's Internet website.

11 **Sec. 28.23.100. Transportation network company driver requirements.**  
12 Before a transportation network company allows an individual to accept trip requests  
13 through its digital network, the transportation network company, or a third party, shall

14 (1) require the individual to submit to the transportation network  
15 company an application that includes the individual's address, age, and driver's license  
16 number, the motor vehicle registration and automobile liability insurance information  
17 for the individual's personal vehicle, and other information required by the  
18 transportation network company;

19 (2) conduct a local and national criminal background check for each  
20 applicant that reviews

21 (A) a multi-state or multi-jurisdiction criminal records locator  
22 or a similar commercial nationwide database with validation; and

23 (B) the United States Department of Justice National Sex  
24 Offender Public Website; and

25 (3) obtain and review a driving history research report for the  
26 individual.

27 **Sec. 28.23.110. Nondiscrimination and accessibility.** (a) The transportation  
28 network company shall adopt a policy prohibiting discrimination based on destination  
29 or a class or status protected under AS 18.80.210 with respect to a rider or potential  
30 rider. The company shall inform drivers of the policy.

31 (b) A transportation network company driver shall comply with all applicable

1 laws relating to accommodation of service animals.

2 (c) A transportation network company may not impose additional charges for  
3 providing services to riders with physical disabilities because of those disabilities.

4 **Sec. 28.23.120. Records.** A transportation network company shall keep  
5 records

6 (1) maintained by the transportation network company for an  
7 individual prearranged ride for at least one year from the date of the prearranged ride;  
8 and

9 (2) maintained by individual transportation network company drivers  
10 for one year after the agreement between the transportation network company and  
11 driver entered into under AS 28.23.080(4) ends.

12 **Sec. 28.23.180. Definitions.** In this chapter,

13 (1) "digital network" means any online-enabled application, software,  
14 website, or system offered or used by a transportation network company that enables  
15 the prearrangement of rides with transportation network company drivers;

16 (2) "personal vehicle" means a motor vehicle that is used by a  
17 transportation network company driver and is owned, leased, or otherwise authorized  
18 for use by the transportation network company driver; "personal vehicle" does not  
19 include a taxi, limousine, or other commercial motor vehicle for hire;

20 (3) "prearranged ride" means transportation provided by a driver to a  
21 rider, beginning when a driver accepts a ride requested by a rider through a digital  
22 network controlled by a transportation network company, continuing while the driver  
23 transports a requesting rider, and ending when the last requesting rider departs from  
24 the personal vehicle; "prearranged ride" does not include shared expense carpool or  
25 vanpool arrangements or transportation provided using a taxi, limousine, or other  
26 commercial motor vehicle for hire;

27 (4) "transportation network company" means a corporation,  
28 partnership, sole proprietorship, or other entity that uses a digital network to connect  
29 transportation network company riders to transportation network company drivers who  
30 provide prearranged rides; a transportation network company may not be considered to  
31 control, direct, or manage the personal vehicles or transportation network company

1 drivers that connect to its digital network, except where agreed to by written contract;

2 (5) "transportation network company driver" or "driver" means an  
3 individual who

4 (A) receives connections to potential passengers and related  
5 services from a transportation network company in exchange for payment of a  
6 fee to the transportation network company; and

7 (B) uses a personal vehicle to offer or provide a prearranged  
8 ride to riders upon connection through a digital network controlled by a  
9 transportation network company in return for compensation or payment of a  
10 fee;

11 (6) "transportation network company rider" or "rider" means an  
12 individual or person who uses a digital network of a transportation network company  
13 to connect with a transportation network company driver who provides prearranged  
14 rides to the rider in the driver's personal vehicle between points chosen by the rider.

15 **Sec. 28.23.190. Short title.** This chapter may be cited as the Transportation  
16 Network Companies Act.

17 \* **Sec. 7.** AS 29.10.200 is amended by adding a new paragraph to read:

18 (66) AS 29.35.148 (regulation of transportation network companies or  
19 drivers).

20 \* **Sec. 8.** AS 29.35 is amended by adding a new section to read:

21 **Sec. 29.35.148. Regulation of transportation network companies or**  
22 **drivers.** (a) The authority to regulate transportation network companies and  
23 transportation network company drivers is reserved to the state, and, except as  
24 specifically provided by statute, a municipality may not enact or enforce an ordinance  
25 regulating transportation network companies or transportation network company  
26 drivers.

27 (b) This section applies to home rule and general law municipalities.

28 (c) In this section,

29 (1) "transportation network company" has the meaning given in  
30 AS 28.23.180;

31 (2) "transportation network company driver" has the meaning given in

1

AS 28.23.180.



# 30<sup>th</sup> Alaska State Legislature

## House Transportation Committee

### **Co-Chairs:**

Rep. Louise Stutes  
Rep. Adam Wool

### **Committee Aides:**

Matt Gruening  
State Capitol 406  
907-465-3271

Laura Stidolph  
State Capitol 412  
907-465-6879

### **Committee Email:**

htra@akleg.gov

### **Work Draft CS for HB132 (TRA) ver J**

#### **Explanation of Changes**

Add new Section 2: "AS 09.65 is amended by adding a new section Sec. 09.65.350. Immunity for certain actions related to transportation network companies. (a) The state or municipality, and the officers, employees, and agents of the state or a municipality, are not liable in tort for damages for the injury to or death of a person or property damage resulting from an act, omission, or failure of a transportation network company or driver to comply with the requirements of AS 28.23 or other law."

***Sections of the original bill are one section sequentially ahead in the CS from Section 2 on.***

Section 6: Page 7, Line 26, remove original language from (i) and add "If the insurance carrier for the transportation network company makes a payment for a claim for physical damage to a personal vehicle that is subject to a lien, the insurance carrier shall pay the claim jointly to the owner of the personal vehicle and the primary lienholder or directly to the business repairing the personal vehicle"

Section 7: Page 9, Line 27, Sec. 28.23.110 remove original (a), (b), and (c) and add "(a) The transportation network company shall adopt a policy prohibiting discrimination based on destination or a class or status protected under AS 18.80.210 with respect to a rider or potential rider. The company shall inform drivers of the policy. (b) A transportation network company driver shall comply with all applicable laws relating 1 to accommodation of service animals. (c) A transportation network company may not impose additional charges for providing services to riders with physical disabilities because of those disabilities."



March 1, 2017

Representative Adam Wool  
Representative Louise Stutes  
House Transportation Committee Co-Chairs  
Alaska House of Representatives  
State Capitol, Rm 17  
Juneau, AK 99801

Re: Support for House Bill 132, relating to transportation network companies and transportation network company drivers.

Dear Representative Wool and Representative Stutes:

The Alaska State Chamber of Commerce (Alaska Chamber) supports the current version of House Bill 132, an act relating to transportation network companies and transportation network company drivers.

The Alaska Chamber is a non-profit founded in 1952 working to promote a positive business environment in Alaska. The Chamber is the voice of small and large business representing hundreds of employers and local chambers across Alaska. Our member companies employ over 100,000 hard-working Alaskans.

There are many places in Alaska where adequate transportation services is lacking. Transportation network companies are an additional way to provide affordable transportation to Alaskans. Having these additional choices breeds competition that will benefit the users of these types of transportation and improve the quality of service. It will also provide economic opportunity to people who can use this avenue to garner additional income. Thirty-eight other states have already passed similar comprehensive legislation and now have transportation network companies providing their services to the citizens of those states.

The Alaska Chamber encourages the Senate Finance Committee to support House Bill 132 and pass the bill from committee.

Best regards,

A handwritten signature in black ink that reads 'Curtis W. Thayer'.

Curtis W. Thayer  
President & CEO

Dear Representative Wool,

My name is Cheri Zepp, and I'm a life long Alaska resident who has for many years relied on taxi/cabs to get to and from work, or to get a ride after having a few drinks and knew a taxi was my best option. I was in Vegas, and Seattle when I discovered Uber, and it was amazing! The cars were clean, the driver was polite and they were on time! It was also very inexpensive compared to a taxi. I was also able to see my driver on my smartphone, so I knew he/she were very close by. We could also communicate via text or call. It streamlined the process and you knew you had your ride. Unlike my experiences with the cabs here in Juneau where I waited for TWO hours after the dispatch told us a cab was coming, and we called back multiple times after the clock struck 1:00 am. We had no idea where our taxi was and it was frustrating because the friends who had us over were tired and ready for bed. This has happened multiple times.

Good luck getting a taxi/cab at the airport as they get taken up fast! If your bags are late getting off loaded you get not taxi/cab - they take off and don't come back because they are taking their fares and then heading off to other fares. We've had this issue as well. Now we just park at the airport, and that's expensive if you're gone too long.

I think of the opportunity for folks who might enjoy making extra money on the weekends using their own car to provide rides for others who may not be able to drive. This would be a good thing for the town of Juneau.

The taxi/cab company graciously provides free rides to Juneau residents on January 1 after drinking, so to help cut down on DWIs but they can't keep up and I did notice a few DWIs in the paper anyway. I myself would pay to get a ride home, rather than wait for a free taxi/cab ride that will take hours to get.

Many years ago, the cab/taxi companies were split up so I do recall the service being better, but it is my understanding they are owned by one company now. The tardiness and unclean taxi/cabs may be because of this monopoly, so I think a little competition would be great for Juneau and folks like myself who need to get home before 1:00 am.

I support HB 132, and I respectfully request you pass this bill out of your committee.

Cheri Zepp

Juneau, Alaska

I strongly support ride sharing companies in Alaska. Let the market dictate supply & demand.

-Paul Davis

[www.gallantadventures.com](http://www.gallantadventures.com)

1 (907)738-2855

I strongly support allowing ride share companies to operate in Alaska. It is important that we continue to grow as a state and this is an excellent way to do so.

Thank you,  
Emily Davis

PO Box 6186  
Sitka, AK 99835  
(907)738-1743

March 1, 2017

House Transportation Committee  
RE: House Bill 132 – Transportation Network Companies

Hello,

My name is Nicholas DeHart and I am a resident of Down Town Juneau. I am writing you today regarding HB 132. After reading HB 132 in its entirety I am favor of transportation network companies being allowed to do business in Alaska as the bill is written.

Although I cannot speak for the rest of the state, Juneau has a taxi problem. More than once I have had to wait over an hour to get a taxi from Down Town Juneau or Douglas. Twice in the last few months I have prearranged a pickup for a ride to the airport early in the morning only to be told 20 minutes past the prearranged pick up time that they would be on their way soon. I have heard comments and concerns about the taxi summer tourism season being negatively affected by ride sharing companies, although understandable, taxi companies (like all business) are on their own to make their business better and desirable to consumers. There are more taxis available in the summer than in the winter and the summer drivers prefer catering to tourists vs. locals. Additionally, the majority of the vehicles commissioned to be used are old and unsafe. It is hard to be sympathetic for the failing taxi system when they have not invested the funds or time to provide a good service. I believe competition is good for all business. It has become apparent to me that the taxi companies in Juneau are mishandling their monopoly of the current system.

A major plus for the ride sharing companies is that they are being tracked, customers can pay online and know who their driver is before being picked up; this equals safer rides and transactions. A free market can elevate some businesses and sink others. There is no reason the taxi services could not upgrade their businesses in the same way. By not letting transportation network companies do business in Juneau, and all of Alaska, a disservice is being done not only to the residents but to the taxi companies themselves. Holding the taxi companies hands and saying no to new things is no way to do business or regulate an industry.

The legislature has the very hard and often not rewarding job of managing budgets, laws, and regulations. In this current low revenue environment, it is imperative that Alaska as a whole be open to new businesses and industries. I believe that the community of Juneau could support both the taxi services and transportation network companies. Please let consumers decide what works best for them and move HB 132 out of committee.

Thank you for your time and your service to Alaska.

Nicholas DeHart  
Juneau Resident

Hello Rep. Wool,

Thank you so much for reaching out for input about ride-sharing. I am completely in support of it. Not only is it super convenient (can you imagine not having to run out to start your car at - 35?!), but it also seems like ride-sharing could only have a positive impact on the environment.

Thanks for asking!

Rachel Reilly  
99709

I fully support HB 132, and am so happy to hear that you are a driving force behind this legislation. I will do my best to testify on behalf of this bill. And if there is anything else I can do to drum up support please let me know. It's long past time for action on this.

Thanks and take care,  
Evan Eads



February 27, 2017

Representative Adam Wool, Vice Chair  
House Labor and Commerce Committee  
State Capitol, Room 412  
Juneau AK, 99801

**Re: House Bill 132 Transportation Network Companies - SUPPORT**

Dear Representative Wool:

The American Insurance Association (AIA), National Association of Mutual Insurance Companies (NAMIC), and the Property Casualty Insurers Association of America (PCI) are writing in support of HB 132. We believe that HB 132 (like SB 14) aligns Alaska with the National Conference of Insurance Legislators (NCOIL) model legislation on transportation network companies (TNC).

The NCOIL model provides clarity on insurance issues and affords the most protection for consumers whenever a TNC operates in Alaska. In particular, we appreciate your efforts in ensuring that coverage for underinsured and uninsured is included, clarifying insurance disclosure, and removing language that could have led to confusing coverage interpretation.

If you need further assistance on the insurance aspects of HB 132 or have additional questions, feel free to contact anyone of us: Armand Feliciano, ACIC Vice President (PCI / 916-205-2519/ [armand.feliciano@pciaa.net](mailto:armand.feliciano@pciaa.net)), Christian Rataj, Senior Director (NAMIC/ 303-907-0587/ [crataj@namic.org](mailto:crataj@namic.org)), or Katherine Pettibone, Vice President (AIA/ 916-442-7617/ [kpettibone@aiadc.org](mailto:kpettibone@aiadc.org)).

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FROM THE DESK OF:  
JAMES T. BRENNAN  
ATTORNEY AT LAW  
[jbrennan@law-alaska.com](mailto:jbrennan@law-alaska.com)

February 21, 2017

Representative Adam Wool  
Alaska State Capitol  
Juneau, Alaska 99801-1182

Re: CSSB 14, Regulation of Transportation Network Companies;  
Fiscal Note

Dear Representative Wool:

I am an Anchorage attorney with many years experience representing various components of the Anchorage Taxicab Industry in connection with municipal regulation of the industry. I am familiar with the regulatory issues which would be presented by the startup of transportation network companies (TNCs), including Uber, in Alaska, and have followed the development of SB 14, including the latest, committee substitute version.

The committee substitute, at Section 5, would, for the first time, saddle DCCED with administration/enforcement of the proposed new statute and regulations thereunder. This would be an entirely new role for the agency, regulation of motor vehicles. Because TNC regulation would also be brand new to the state (which has not previously engaged in regulation of passenger transportation, previously undertaken by the municipalities), this first-time foray into regulation will require adequate agency staffing. The TNCs are new players in the passenger transportation industry, and it would be a gross understatement to say that their entry into commerce has created headaches for municipal, state and national governments, worldwide. A new state law authorizing TNCs will require a full agency commitment to administer and enforce the new law.

The Fiscal Note accompanying the committee substitute is for \$280,500, essentially for two new positions, one for an investigator and one for a consumer service specialist. In my opinion, this is inadequate.

The Municipality of Anchorage has Transportation Inspection office to handle regulation of taxicab and limousines under longstanding municipal code provisions. Though it administers regulation in only one city, it requires four fulltime employees. It is unrealistic to believe that a state agency administering

startup state regulation of TNCs in cities all over Alaska will be able to adequately enforce the statute with only two additional staffers.

Among the requirements of the statute for which compliance, monitoring and enforcement by the agency will be required are:

- Required insurance provisions for both the TNC company and each TNC driver.
- Disclosure to all customers of safe fare rates, fare calculation method, and the customer's option to get an estimated fare before undertaking a ride.
- Display of pictures of arriving TNC drivers to customers.
- Provision for electronic receipts to customers.
- Disclosures to drivers by the TNC of the TNC's insurance coverage, including potential non-coverage in certain circumstances.
- Confirmation of compliance with independent contractor requirements, e.g., TNC not requiring specific hours, not restricting the drivers' ability to work with other TNCs or for other employers; and existence of a written contract with each driver.
- Enforcement of zero tolerance for alcohol and drugs.
- Local and national criminal background check for each driver, including a multi-state criminal records check and a national sex offender record check.
- TNCs obtaining driving history for each driver.
- Nondiscrimination.
- TNC's ongoing maintenance of required records.

On a state-wide basis, this is a tall order. The foregoing does not even take into account the need for establishment of some system for penalties, e.g., fines, suspensions and revocations, in the event of noncompliance by a TNC company or its TNC drivers. This will also require some provision for due process

procedures, including hearings, if a TNC company or its driver contests the agency's enforcement of the law.

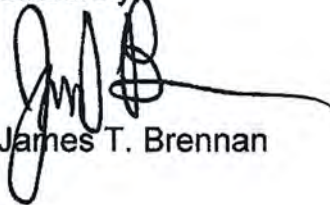
Based upon the foregoing, it is my opinion that the Fiscal Note for CSSB 14 should be increased from its current total of \$280,000 to an amount commensurate with at least four new positions in DCCED.

The Anchorage Assembly, which has far longer experience than the Legislature in regulating transportation of passengers for hire, is currently considering an extensive, 23 page ordinance to regulate TNCs, which contains substantially more protections for taxicab customers, the public safety, and other considerations, which CCSB 14 lacks.

If, as provided in Section 7 of the committee substitute bill, the state intends to entirely preempt municipalities from regulating TNCs, then the state needs to step up with adequate staffing and resources to administer and enforce its own regulation of TNCs.

Thank you for your attention to this matter.

Sincerely

A handwritten signature in black ink, appearing to read 'James T. Brennan', with a long horizontal flourish extending to the right.

James T. Brennan

JTB;rs  
3851\083  
cc: Laura Stidolph

To whom it may concern

My name is Ezra Stephens and I have been a 30 year resident of Juneau. I have been trying to figure out the right words to say about this ride sharing issue for over a week now.

After reading the article in today's Juneau Empire I am deeply frustrated with the assemblies stance on this issue and after multiple drafts and rewrites I have decided not to go with a non-emotional stance on how the city assembly chooses look at this issue. I will just say this, I am for the ride sharing coming to this Juneau.

It will quickly become a vital part of our towns transportation needs and tax base. I think it would foolish and shortsighted not to allow ride sharing in to Juneau. This town is trying to find new ways to pay for it's self and this a perfect opportunity to put much needed money into the coffers and put dozens of people to work on a full and part time basis.

I know the cab companies are extremely resistant to this idea and will argue that it will put a dent into their business and possibly go as far as to say it will cost people jobs. As educated and free thinking people, I hope you see passed these in inaccurate notion of costing jobs and see this as an opportunity for our town to progress and move towards the future.

Thank you for your time.

Ezra Stephens

Hello Representative Wool

I would like to express my concerns with HB132 regarding Transportation Network Companies. As i feel there are many things wrong with this bill, Insurance too low, Uber drives down wages, cities would have no say in this matter what so ever and would lose revenue from enforcement , state would lose money, fiscal note is too low (should be closer to \$400K per year), Criminal background checks are inadequate by Juneau police departments standards.

Uber should pay, Everyone else pay's, Just in Juneau the taxi industry pay's about \$200,000 in sales tax, and other fee's associated with being a taxi (and thats just Juneau). Think about how much the cities could get from Uber if it were regulated properly, money that could go to schools, roads, jobs, etc.. Instead this could let a \$5 Billion dollar company in for FREE. Thats just crazy to me.

There are many many more but i would like to mention something that is even more important:

BUYERS REMORSE, What happens if this passes and Uber is not what it seems and we just gave them an open door to the ENTIRE state, what do we do? well unfortunately there isn't an easy answer to that from what I have read, Once we let them in (unregulated) it would cost a fortune to get rid of them, Or even try to add regulation later. Uber will fight it tooth and nail, they are doing that all over the world now. Taxi's have been around since 1911 and no they are not perfect, I've also heard bad things about doctors, pilots, police officers, etc.. But to think they are all bad because of a few peoples actions? I think thats wrong. Even taxi drivers deserve to have a chance to continue making a decent wage to support there families.

If people want Uber that's fine, But they need to be on a level playing field with everyone else, And the cities, Towns, And municipalities need to regulate them locally like everywhere else does.

Thank you for your time,  
James Harris  
907-723-1882