

**Lyft Testimony for Standing Committee on
Commerce & Economic Development
March 14, 2018**

Good Morning distinguished members of the House Committee on Commerce & Economic Development.

My name is Funsho Owolabi and I am the Public Policy Manager for Lyft, responsible for Lyft's Public Policy in Vermont.

First, I would like to thank Chairman Botzow and Vice-Chair Marcott for giving me the opportunity to speak on House Bill 725. We are very supportive of this process and we appreciate the committee for initiating this important conversation on the future of Transportation Network Companies (TNCs) here in Vermont.

I'll focus my comments today on the benefits that ridesharing will have for those communities across the Green Mountain State, and on the necessity of a sound regulatory system that enables ride-sharing services to grow.

Lyft is a digital ride-sharing application that connects people with efficient, affordable and safe drivers in their community. We were the first company to establish peer-to-peer, on-demand ridesharing, and we are currently the fastest growing rideshare company in the United States. Today, we connect millions of people everyday in over 350+ communities across the country.

Lyft was founded with the mission of improving lives by offering the world's best transportation, and in less than six years we have proven to be a powerful driver of positive change with respect to economic empowerment, enhancing the efficiency of public transportation, and connecting communities previously underserved by prior transportation options. The proof is in the data. Since our launch in 2012, Lyft has worked to reduce traffic and congestion, increase mobility options, prevent D.U.I's, stimulate local economies, and provide economic opportunities for its thousands of driver-partners. At its core, Lyft was created as an alternative to personal vehicle ownership.

To date, 44 states and the District of Columbia have enacted legislation that regulates Lyft and similar ridesharing companies in a safe and comprehensive manner. We hope that Vermont will join that effort and allow consumers the option to choose Lyft reliably in communities across the Green Mountain State.

By supporting sensible statewide legislation, you will be creating a framework that promotes predictability and consistency across the state. We believe a passenger who uses Lyft in

Burlington or South Burlington should expect the same level of safety, service and regulatory consistency as they will encounter in Montpelier, Newport, Bennington, or the more than 350+ cities across the nation where they can currently open our app and request a ride. People like our service because they know what they are going to get: a safe, affordable ride with great customer service.

Bill H.725 closely reflects the national model that has been carefully considered, negotiated, and debated in over 44 other states across the nation and the District of Columbia. The bill before the committee reflects a carefully crafted balance for Vermont that would allow ridesharing companies to be regulated statewide, while also maintaining high levels of public safety and consistency. Specifically, the bill would:

- **Set statewide Insurance coverage.** Insurance coverage limits proposed in H.725 are set at \$50,000 for death and bodily injury per person and \$100,000 for death and bodily injury per incident, a limit which applies while a driver is “logged on to the transportation network company’s digital network and is available to receive transportation requests, but is not engaged in a prearranged ride”. For prearranged rides, TNCs would be required to provide \$1,000,000,000 primary liability coverage when a driver accepts and ends a ride with a passenger in the vehicle. These limits are also reflected in the national NCOIL model for TNC services. **Lyft supports the limits set in the H.725.**
- **Create consistent regulations for the entire industry.** The bill correctly establishes a statewide framework that would allow for better consistency and industry predictability. Inconsistent patchwork of regulations and red tape would cause confusion for TNCs, drivers, and law enforcement, as drivers would be expected to know and comply with every possible change in local requirements as they cross into the next town, village or city. Such regulatory chaos would ensure that the economic potential that TNCs provide to drivers and the convenience they offer to passengers would be lost throughout much of the State. **Lyft supports the creation of one uniform, comprehensive set of laws governing TNCs.**
- **Sets strong driver requirements.** TNCs, in order to ensure the safety of riders and other vehicles on the road, must meet state mandated standards in approving any drivers. Some of the stringent driver requirements in the proposed bill include:
 1. Mandated national background checks conducted by an independent third party, checking a local, State, and federal background check of the individual, including the multistate-multijurisdiction criminal records locator or other similar commercial national database, and the U.S. Department of Justice national sex offender public website; and other state standards for disqualifying drivers
 2. Prohibition from picking up street hails; and

3. Distinctive trade dress to help passengers and law enforcement in identifying TNC vehicles.

Lyft remains eager to continue to grow and expand in Vermont, and to work with local communities to ensure a safe and reliable product for Vermont drivers and its citizens. At the heart of the Lyft operation is our driver-partners. Our driver community is made up of retirees, single parents, students, folks trying to get around, and families simply trying to make ends meet. In fact, 93% of Lyft drivers already have a job, are seeking work, are retired, or are students. 82% percent of Lyft drivers drive fewer than 15 hours per week, so folks truly utilize driving in a part-time manner. They are casual drivers who don't fall within the traditional limo or taxi framework that currently exists.

In addition, Lyft is making a positive mark on communities across the country. About a year ago, we launched an in-app program called Round Up & Donate (RU&D) which allowed passengers, who wanted to give back to their respective causes, round up their fare to the nearest whole dollar and push the difference toward issues impacting everyone everywhere, from climate change to the pursuit of equality. In 12 months since we introduced RU&D, hundreds of thousands of passengers have rounded up over 4,000,000 rides to support causes like equal rights, wildlife conservation, closing the pay equity gap, and giving back to those who serve our country — and this is just the beginning. To date, passengers have donated over \$2.5 million to charitable causes like St. Jude's Research Hospital, Black Girls Code, ACLU, Human Rights Campaign and the USO to name a few.

Overall, we have seen the most success when regulations are uniform across the state, regardless of community size, to ensure that safe, reliable and affordable rides are available for all residents and visitors alike in Vermont.

For these reasons, Lyft **Supports** H.725. We look forward to continuing this conversation and achieving the shared objective of getting sensible TNC legislation passed here in Vermont.

Sincerely,

A handwritten signature in black ink, appearing to read 'Funsho Owolabi', is written over a horizontal line. A vertical line extends downwards from the center of the horizontal line.

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