



National Association of
City Transportation Officials

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March 18, 2019

Representative Jeff Barker, Chair
House Committee on Business and Labor
900 Court Street, NE
Salem, OR 97301

Chair Barker and Members of the Committee:

The National Association of City Transportation Officials (NACTO) is writing to express **strong opposition to preempting local regulation of transportation network companies (TNCs)**. This letter is being submitted for consideration during the discussion of HB 3023.

Across the United States, TNCs provided rides for 2.6 billion passengers in 2017, and completed nearly 5 billion trips in 2018 aloneⁱ. TNC trips increased nearly 250% over the last six years and have dramatically reshaped the transportation landscape, especially impacting traffic congestion, transit ridership, and overall mobility. This rise in trips has produced a 160 percent increase in vehicle miles traveled on city streetsⁱⁱ.

As the Committee considers any legislation regarding the regulation of TNCs, NACTO would like to call attention to the value of preserving local regulations tailored to the needs and conditions of individual communities.

1. **Local challenges demand local solutions.** While ride-hailing applications have expanded mobility options for millions of Americans, TNCs such as Uber and Lyft are exacerbating traffic congestion and diminishing transit ridership in urban areas. Local governments have a range of tools, including curb management policies and per-ride fees, that they can use to leverage opportunities and mitigate adverse impacts that are local in nature. But it is neither advisable nor feasible for the State to design or manage these programs in place of local governments that have knowledge of local conditions and needs. This is especially true in Portland, which represents Oregon's largest market for TNCs, and must be authorized to regulate for-hire vehicles' operations on local streets.
2. **Local governments have proven their ability to efficiently, responsibly, and fairly manage for-hire vehicles for over 100 years.** The City of Portland has been successfully regulating private for-hire transportation for more than a century, implementing locally appropriate strategies to ensure safety, provide equitable service, and manage congestion and emissions. After the emergence of TNCs, in 2015, the City of Portland levied a 50 cent per-ride fee on TNC trips to fund fairly priced, wheelchair accessible for-hire rides for people with mobility challenges. The City is also developing an innovative curb management program and an

advisory board to address the needs of TNC drivers. Preempting these initiatives and similar ones in Oregon would leave local governments with no ability to provide programs serving their communities' varying mobility needs.

3. **Cities are positioned to respond quickly to a rapidly changing mobility environment.** TNCs are part of an emerging mobility industry that is changing quickly and unpredictably. Effective regulation and management of these services in Oregon's communities must be able to adapt to and accommodate these changes at a speed the State cannot easily achieve. Cities such as Portland, Washington, DC, Seattle, and Chicago all regulate TNCs through strategies sensitive to local conditions to ensure safety for all road users, fair wages for drivers, and consumer protection for passengers. Cities without regulatory authority have little recourse against challenges like these as they arise.

The State Legislature is in a position to support local regulatory efforts to successfully manage TNCs. The minimum standards included in HB3023, such as mandatory background checks for drivers and basic insurance requirements, are important pieces of any regulatory framework applying to TNCs. Yet without preserving local authority over this industry, the State stands to eliminate critical mobility programs and stifle cities' ability to craft effective solutions responsive to local conditions. While the concerns raised above remain unaddressed, NACTO stands opposed to any legislative efforts to undermine local governments' role in regulating TNCs.

Sincerely,

A handwritten signature in black ink, appearing to read 'Corinne', with a long horizontal flourish extending to the right.

Corinne Kisner
Executive Director, NACTO

¹ <http://www.schallerconsult.com/rideservices/automobility.pdf>
² *ibid*