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May 14, 2019

The Honorable Nancy Nathanson Oregon State Capitol 900 Court. St., Salem, OR 97301

### To: House Revenue Committee Re: Uber's response to May 13, HB 3023A testimony

Dear Chair Nathanson and members of the committee,

Thank you for your recent hearing on HB 3023A and the chance to share remarks in support of the legislation. As requested, I am providing some additional written information to address questions that were raised and expand on a few key reasons to support the bill.

### HB 3023 is timely legislation that would benefit Oregonians

In Oregon today, there are many cities that have different requirements from nearby communities or do not have regulations at all. This type of inconsistency around basic requirements such as driver licensing and background checks harms drivers by limiting their earning opportunities, stunts expansion of reliable service across neighborhoods, and reduces the quality of service where our technology is available.

As I mentioned in my testimony, HB 3023A would benefit riders and drivers throughout the state, especially in areas that don't currently have rideshare, as we see up and down the Oregon Coast and along the Gorge. In states where we've had statewide regulations in place for some time, we've seen that as our business matures, Uber is an increasingly important option for residents in smaller and smaller towns and cities (examples <u>here</u> and <u>here</u>). This has also increased opportunities to earn flexible income in those communities.

For drivers in Oregon, statewide regulations would establish consistency for insurance, driver licensing and the background check process, eliminate unnecessary barriers and costs and enable drivers to quickly and easily respond to areas of rider demand. For riders it would increase consumer choice and access to another affordable, reliable form of transportation that in many parts of the state, still doesn't exist.

### Importance of Consistency

As others noted at the hearing, HB 3023A establishes consistent requirements in a few core areas - particularly driver and vehicle licensing, background checks, and insurance. Without this consistency, it is much more difficult to avoid immediately returning to the problems that exist with the approach in Oregon today.

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Importantly, while the bill establishes some core standards, local governments should retain many key powers they have today, like the ability to manage their own streets and curbs, and the general authority to determine how to address citizens' concerns about congestion. We appreciate the work that has gone into HB 3023, and of the efforts to address the concerns raised by many stakeholders - including expanding and funding local enforcement powers, providing for wheelchair accessible transportation, and establishing a clear process for data sharing.

### Relationship with public transit

We see our services going hand-in-hand with public transportation. We know there's no more efficient way of moving large numbers of people along fixed corridors than via mass transit. That's why we've begun integrating public transit options into our app, like we have in Denver, and entered into partnerships with transit agencies like TriMet in Portland where the availability of rideshare vehicles can be seen in the agencies' own multimodal trip planning apps.

Additionally, research on the relationship between rideshare and transit is far less conclusive than some have suggested to the legislature. For instance, a new U of Toronto study shows that TNCs have had a positive effect on transit ridership in some cities, especially smaller cities with limited transit like many municipalities in Oregon. And a previous APTA study showed that TNC users are both more likely to use transit and less likely to own cars.

While studies disagree on causes for congestion, almost everyone agrees on the solution. We need tools that help ensure sustainable travel modes like public transportation are prioritized over single occupant vehicles. The truth is, the vast majority of urban travel is still done by private car. That's one reason we believe in comprehensive congestion pricing, which would provide millions to invest in cities' public transportation systems. A recent TransitCenter report on how to win back America's transit riders finds that "an uptick in driving dominates changes in the transportation market," and that "cheap auto-loan financing has fueled greater access to private cars." The report describes the relationship between TNCs and transit as "positive but complicated."

Lastly, some U.S. cities have shown that it's possible to increase transit ridership while at the same time giving people access to the choice of rideshare *and* reducing single occupancy vehicle commuting. A recent report from the Institute for Transportation Development Policy singled out both Seattle and Minneapolis, among other North American cities, for success in increasing non-car commuting. Both cities have been able to do this in an environment where TNC trips *and* the populations continue to increase significantly. The most recent INRIX traffic scorecard released in February shows strong declines in congestion in many major cities despite continued rideshare growth. And researchers at the Mineta Transportation Institute have found that the quality of transit service is the number one determinant of ridership, not whether TNCs are an option or not.

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### Increasing access to opportunity in low-income communities

In an October 2017 article, The New York Times highlighted how significantly rideshare had increased access to reliable, affordable transportation in the city's outer boroughs. The article points out how significantly our business has grown in poor and minority communities in New York--communities historically underserved by other forms of transportation--and how a similar pattern has emerged in other cities, including San Francisco, Chicago and Houston.

In Portland, as our business in and around the city has matured, we've similarly grown fastest in areas that have lacked access to other forms of transportation. From 2015 - 2017 growth numbers in and around Portland were as follows:

- Portland citywide: 125%
- East Portland: 430%
- Milwaukie: 536%
- Gresham: 862%

In May of last year, PBOT presented a for-hire trip heat map to the City Council with snapshots of 2015 trip and 2017 trips in the city and it was clear the impact rideshare has had in increasing access for people in every area of the city.

For drivers, rideshare has provided access to a flexible earning opportunity that allows people to work in a way that's convenient for them, choosing when, where and how to drive. There are now more than 3.9 million people across the world taking advantage of the opportunity driving with Uber affords. Collectively since 2015, drivers have earned \$78.2 billion driving on on the Uber app, as well as \$1.2 billion in tips since we introduced in-app tipping in July 2017. Drivers all across Oregon deserve access to this opportunity.

### **Commitment to safety**

We believe that technology can make travel safer than ever before, and while we've made a lot of progress in this area, we know we can always do more. Helping keep people safe is a huge responsibility and one we do not take lightly. That's why we're committed at every level of our company, from our CEO on down, to putting safety at the core of everything we do.

- **Driver screenings:** All potential drivers in the US must complete a screening before becoming an Uber driver-partner, and current drivers continue to be vetted for criminal offenses. Criminal and motor vehicle checks are proactively run each year, regardless of whether there's a legal obligation to do so.
- **Realtime driver ID:** Drivers are periodically asked to take a selfie, which we match against their on-file identification to help ensure the right driver is behind the wheel.
- **Safety tools:** On every trip, you can tap a button for safety tools and get help whenever you need it. Everything safety-related is in one central location on the app making them easy to find. Those tools include:
  - **911 button:** An in-app emergency support button to call 911 if needed that automatically shares location and trip details with dispatchers. Federal regulators

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estimate about 10,000 lives could be saved every year if first responders were able to get to a 911 caller just one minute faster (FCC report, 2014)

- **24/7 incident support:** Our customer support team is specially trained to respond to urgent safety issues.
- **Share my trip:** The ability to share your trip with friends and family so they can track your location in real time.
- **GPS tracking:** All Uber trips are tracked by GPS from start to finish so there's a record of every trip if something happens.

### Conclusion

HB 3023A is an important, common-sense step toward a true multimodal future in Oregon built around well-used public transit and a variety of other transportation options - across the entire state. We encourage the committee to support HB 3023

Sincerely,

Caleb Weaver, Public Affairs Senior Manager, Uber