

HOUSE COMMITTEE ON TRANSPORTATION

HB 2019

January 26, 2023

Written Testimony for Harry Hartfield, on Behalf of Uber Technologies Inc.

Chair Francis, Vice Chair Neelley, Minority Leader Ballard and distinguished committee members

On behalf of Uber Technologies, Inc., (“Uber”) we appreciate the opportunity to provide public testimony on House Bill 2019. Uber has been connecting riders and drivers in Kansas since 2015. Every week thousands of people in Kansas use the Uber App to earn income on their own schedule and tens of thousands of Kansans rely on Uber to get to doctor’s appointments, visit loved ones and get home safely after a night out.

Drivers who find work through Uber are independent. They choose if, when, where, and for how long to work. There is no exclusivity, so many workers use multiple apps. Anyone who passes a background check and meets the regulatory requirements can use the app. There is no minimum commitment or obligation to work. Drivers decide when they want to turn on the app and when they want to turn it off. 80% of drivers on the Uber app work fewer than 20 hours a week.

The term “flexible work” is often used to describe a diverse range of working models. However, even in the most informal flexible engagements, employers may establish rosters dictating when, where, and for how long someone must work. Workers on the Uber app have nothing like that.

Traditional employment simply doesn’t work for everyone. The app-based work available through the Uber platform is critical for those who want to work but might not have the ability to handle a traditional nine to five. Workers on Uber’s platform care for a family member, and have to be on call to handle their needs. Others are retirees on a fixed income who want to make extra money. Others are students who support themselves through school. At the core of it these are people who want to work, but need to do it on their own schedule. That flexibility is even more important as record inflation pushes Americans to look for ways to supplement their income. Uber has seen a 30% increase in drivers joining the platform since this time last year.

HB 2019 enshrines rideshare drivers’ ability to to work when, where and on any rideshare platform they want. In doing so it ensures that Kansans who want to work still have access to flexible work opportunities on platforms like Uber. It mirrors language already in place in

Missouri, Texas, Florida and more than twenty states across the country. It also reflects the unique nature of app-based driving, and only covers Transportation Network Companies like Uber and Lyft. It does not change how any other businesses in the state works with independent contractors.

Virtually every poll, survey and election has shown that this is what the overwhelming majority of drivers on the Uber platform want. An independent survey¹ from the Rideshare Guy found that 79% of respondents want to remain independent contractors. A recent Pew poll² found Americans agree, with 62% - and a majority across every political party - saying that drivers are independent contractors. Even voters in California rejected the state's attempt to try and force drivers into traditional employment status.

Unfortunately, the Biden Administration, and a handful of special interests in D.C, continue to pursue policies that could limit drivers' flexibility. While the recently proposed rule by the Department of Labor may not directly change Kansas state law, it could serve as a guide for state courts if there is uncertainty in the law. HB 2019 removes the uncertainty and ensures workers on rideshare platforms in Kansas remain independent contractors.

Flexibility doesn't just benefit workers. It's a big part of the reason Uber is able to serve rural, suburban and urban communities across the state. If Uber were forced to switch to an employment model, less densely populated areas of the state, including possibly here in Topeka, would likely no longer benefit from on-demand rideshare.

Studies have demonstrated that ridesharing can significantly reduce DUIs and drunk driving deaths, which has been on the rise across the country. According to the National Bureau of Economic Research, ride sharing has reduced drunk driving deaths by 6%. And in a Houston study of Uber's impact, rideshare volume was associated with a 67% reduction in vehicle collisions. Many bars and restaurants are among the most popular destinations in Kansas, but Kansans also rely on rideshare for everyday needs. Among the top 20 most popular destinations in Kansas are three Wal-marts and two hospitals.

Kansas has a critical opportunity to protect flexible work for thousands of app-based drivers and a critical service for tens of thousands of passengers. Uber urges you to support HB2019 and looks forward to answering any questions you may have.

Harry Hartfield
Public Policy Manager, Uber Technologies, Inc.

¹ <https://therideshareguy.com/california-proposition-22-2020/>

² <https://www.pewresearch.org/internet/2021/12/08/the-state-of-gig-work-in-2021/>