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Sent: Wednesday, August 16, 2023 5:58 PM
To: Council Members <CityCouncilMembers@minneapolismn.gov>
Subject: Rideshare ordinance considerations

Dear Council President Jenkins, Council Vice President Palmisano, and City Council Members,

As the City Council prepares to consider the Transportation Network Companies (TNC) driver protection ordinance, I'd like to share my thoughts and concerns with you.

This ordinance stands to significantly impact our city in terms of worker protections, public safety, disability rights, and transportation mode shift goals. My staff and I have met with a broad range of stakeholders to gather their feedback and input on how this proposed ordinance would impact them, including: the Minnesota Uber/Lyft Drivers Association and the Minnesota Rideshare Association, labor unions, TNC providers, business associations, disability advocates, and other stakeholders.

From the feedback we gathered, it is clear that we must allow more time for deliberation. We need both additional data and conversations to be had to ensure the essential safety and well-being of rideshare drivers and riders alike.

Drivers should be paid more, and their working conditions should be improved. We collectively support improved wages and working conditions for rideshare drivers. It is equally important to me that we support and maintain a safe environment for drivers and riders, guard against unintended consequences in policymaking, and maintain access to rideshare services for all those who rely upon it.

First, I support providing higher wages and enhanced labor protections to TNC drivers. I agree that rideshare drivers should be making at least a minimum wage for their services. I also recognize that the process for reinstating unfairly deactivated drivers has often proven difficult and time-consuming. I am grateful to the drivers who have lent their voices to this conversation, including organizers and workers from Minneapolis' East African Community. We've heard loud and clear that rideshare services offer a low-barrier employment opportunity for people who need the flexibility to earn a living while being able to spend time with their families, both in the city and abroad.

Second, I appreciate the provisions that address transparency in pricing and payments. Drivers deserve to know how much they will be paid for providing a ride.

Finally, given that TNC drivers are independent contractors, and cannot organize in a union, we need to find a way to provide protections apart from labor contracts. We are in agreement that these protections are of critical importance.

However, before we enact an ordinance with unknown effects on the future of rideshare in the City of Minneapolis, we must consider the following measures:

- **Extend the effective date in the ordinance to ensure coordination with our state partners.** The Governor's Committee on the Compensation, Wellbeing, and Fair Treatment of Transportation Network Company Drivers will issue formal recommendations by January 1, 2024. I urge the Council to consider extending the effective date of this ordinance past the conclusion of the coming state legislative session to allow for a more comprehensive approach. If the state fails to act— the City will be better positioned to take action and staff will have had the time to prepare and effectively implement the ordinance.

Higher wages in the City of Minneapolis will not help drivers who routinely transport passengers in and out of our city borders, a common occurrence for our local drivers working throughout the entire metro area. Further, the State has requested data from both Uber and Lyft that should help resolve the question of what rate of compensation will ensure drivers are making a fair hourly wage.

- **Clarify instances in which deactivated drivers may not resume providing rides.** I agree there are instances when drivers shouldn't be deactivated for enforcing rules against riders' own poor behavior in their vehicles—including smoking, using drugs or alcohol, or threatening or using profane language with drivers. But there are also many instances in which serious accusations are leveled that should require a driver to be sidelined during a speedy, fair, and thorough investigation. These accusations may include threats of physical or verbal violence, attempted financial fraud or scams, or violations of the Americans with Disabilities Act, to name a few. The ordinance is silent on whether a driver will be deactivated after a complaint is filed, making it possible a driver may continue endangering countless other riders. The language only specifies that TNCs must make clear to drivers what constitutes a major or minor infraction. This is unacceptable and does not align with the values of our city – we are not in the business of putting our residents at risk. This issue needs further discussion and deep clarification.
- **Include additional driver protections and benefits.** TNC drivers are also advocating at the state level for paid sick and safe time, allowing for older vehicles to be used for transporting riders, and increasing occupational insurance limits to \$1 million should they be injured or have damage to their vehicles while transporting riders. These are reasonable requests that the City should not ignore.
- **Provide effective ordinance enforcement mechanisms.** The Driver Resource Center—which is authorized but not established or funded in the proposed ordinance—will be critical to enforcing the ordinance. Presently, the City has no ability to fund such a center. The State is better equipped to address issues involved in rides across municipal borders. Moving forward at the city level is likely to set false expectations around legal protections for the very drivers we seek to protect.
- **Consider the negative consequences of the identity verification measures and gift card ban.** I understand the need for identity verification of TNC riders to keep drivers safe, but I am concerned that stricter identification measures and banning the use of gift cards may have unintended consequences, especially for our residents who need assistance the most. Local government and non-profit service providers occasionally use gift cards to provide rides to clients who need additional support or transportation to access essential healthcare or employment. There may be additional barriers for people with disabilities being required to have a credit card in the rider's name. This ordinance, as written, would eliminate the option to have a family member or healthcare team member arrange and pay for transportation for a person with a disability. I do not believe this concern is insurmountable, but we should continue the conversation to address this policy concern.

I am glad we are continuing the conversation that started at the state legislature this year. We must allow more time for deliberation at the state and city levels, and you have my commitment to work together to accomplish our shared goals for rideshare.

Yours truly,

Jacob