

March 18, 2019

The Honorable Jeff Barker House Committee on Business & Labor 900 Court Street NE Salem OR 97301

RE: HB 3379 - Transportation network companies

OPPOSE

Dear Chair Barker and Members of the Committee:

Internet Association (IA) must respectfully **OPPOSE HB 3379**, which would let a patchwork of local laws govern the operation of transportation network companies (TNCs) in the State of Oregon. Such a regulatory system of varying local rules and requirements would inevitably harm consumers, drivers, and local economies by limiting the availability of modern transportation options provided by ridesharing.

IA represents more than 40 of the world's leading internet companies and advances public policy solutions that foster innovation, promote economic growth, and empower people through the free and open internet.

HB 3379 would move Oregon's transportation system backwards by codifying a patchwork of local rules on TNCs. In contrast, HB 3023, also referred to this committee, would follow the vast majority of other states in the country by establishing a statewide system for regulating TNCs, which will enable Oregon residents everywhere to benefit from safe and efficient transportation options.

HB 3379 would allow local jurisdictions to set licensing fees without limitation and establish open-end local rules impacting TNCs, regardless of whether or not those local requirements result in better safety and higher quality experiences for passengers and drivers. Without a uniform licensing regime, some jurisdictions will likely not be able to be served by TNCs, meaning residents in those areas will have limited transportation options.

In addition to new fees and regulations, HB 3379 requires local law enforcement or state agencies to take on the responsibility of performing driver background checks. This is an unnecessary requirement that will limit how efficiently new drivers can be approved to work on TNC platforms, while providing no additional safety benefits compared to current background check processes already utilized by TNCs.



Finally, Section 6 (3)(C)(ii) places a new and unreasonable mandate on insurance products used by drivers, requiring elevated coverage for one-hour after a driver has logged off the platform. This new "Period 4" has not been proposed or adopted in any other jurisdiction in the country. It is not clear what the intent of this provision is or how it will ensure passenger or driver safety. If anything, it will place TNC drivers in insurance limbo for a period of time after they have finished working on the platforms.

For these reasons and more, IA respectfully **OPPOSE HB 3379** and strongly encourages you to hold the bill in committee. Should you have any questions at all, please reach out to me at <u>rose@internetassociation.org</u> or (206) 326-0712.

Sincerely,

Rose Feliciano

Director, State Government Affairs, Northwest Region