



May 7, 2024

Dear Members of the Minnesota House Labor Committee,

I am writing to express our profound concerns regarding the ridesharing minimum pay rates proposal you will be considering during Tuesday's hearing.

While we understand the positive intent to ensure fair compensation for rideshare drivers, we believe it is crucial to carefully consider the broader implications of the proposal. Implementing minimum pay rates that do not reflect economic realities, as outlined in both the ordinance passed by the Minneapolis City Council and today's amendment, risks significant repercussions for our region's transportation ecosystem and the thousands of individuals who rely on ridesharing services on a daily basis.

Allow me to highlight several key concerns:

1. **Departure of Lyft and Uber:** Imposing economically unfeasible minimum pay rates will prompt Lyft and Uber to withdraw from our region or the entire state. This would not only result in the loss of jobs for rideshare drivers but also leave thousands of residents and visitors stranded. These two companies provide approximately 400,000 rides per week in our region.
2. **Impact on Accessibility:** Ridesharing services play a vital role in enhancing accessibility for individuals who may not have access to vehicles or traditional public transportation. Any disruption to these services would disproportionately affect vulnerable populations, including those with disabilities, elderly individuals, and low-income communities.
3. **Economic Ramifications:** The departure of ridesharing companies would have far-reaching economic consequences, affecting not only drivers but also businesses that rely on these services to transport customers and employees, especially in our hospitality, entertainment, and event industries. Moreover, it will tarnish our region's reputation with event and convention planners, and business leaders generally, nationwide, potentially deterring future investment.
4. **Need for Collaborative Solutions:** While addressing concerns related to driver compensation is important, we believe that collaboration between stakeholders, including ridesharing companies, drivers, policymakers, and community organizations, is essential to finding sustainable and equitable solutions. Passing legislation without comprehensive input and analysis will exacerbate challenges, not resolve them.

In light of these concerns, we urge the Minnesota House Labor Committee to carefully evaluate the proposed ridesharing minimum pay rates and consider alternative approaches that balance the interests of all stakeholders involved. Pay rates that are raised too high that they drive down demand will undermine our transportation options and not deliver the pay raises promised to the drivers.

Drivers will lose, riders will lose, service providers will lose, and our economy will suffer. At a time when we should be looking for more ways for people to come to our city and visit downtown, this will significantly inhibit people from traveling to our region and within our city.

We stand ready to engage in constructive dialogue and work towards solutions that ensure fair treatment for rideshare drivers while preserving access to essential transportation services for our community.

Sincerely,

A handwritten signature in black ink, appearing to read "A. Duinick". The signature is fluid and cursive, with a prominent initial "A" and a long, sweeping tail.

Adam Duinick
President and CEO
Minneapolis Downtown Council