

# Labor and Public Employees Committee

## JOINT FAVORABLE REPORT

**Bill No.:** SB-1180

AN ACT CONCERNING RIDESHARE AND DELIVERY DRIVER MINIMUM

**Title:** STANDARDS.

**Vote Date:** 3/23/2023

**Vote Action:** Joint Favorable Substitute

**PH Date:** 3/9/2023

**File No.:** 506

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### SPONSORS OF BILL:

Labor and Public Employees Committee

### REASONS FOR BILL:

This bill is intended to ensure that rideshare and delivery drivers are provided with minimum pay per trip, are ensured reciprocity when traveling between states, and that both workers and passengers receive trip receipts to ensure transparency in pay. This would seek to ensure that drivers are fairly and consistently compensated for their work.

### RESPONSE FROM ADMINISTRATION/AGENCY:

**Dante Bartolomeo, Commissioner, Connecticut Department of Labor:** Has concerns that the DOL would have difficulty enforcing the wage rates above the minimum wage. Comments that the bill would require the agency to enforce independent contractor pay, and that the US Department of Labor has the authority over interstate work travel, rather than the state. Also comments that the bill would have a significant fiscal impact on the DOL.

### NATURE AND SOURCES OF SUPPORT:

**Several members of the Connecticut Working Families Party** testified in support of this bill because it supports workers by helping level the playing field between the drivers and the company by reducing the responsibilities for drivers to pay for fuel and vehicle maintenance. Comments that it would give drivers standards for basic pay, more transparency with the government, and reciprocity between states. These individuals included:

1. **Emma Bromley**
2. **Debra Cohen**

3. **Beth Angel**
4. **Sarah Aaron-Bromley**

**Martin Looney, Senator, SDO:** He offered comments in support of SB 1180. He stated that it would benefit workers by providing reciprocity between states, a basic standard for pay and increase transparency with drivers, customers, and the state government.

**Elvis Carranza, App-Based Driver:** Supports this bill because drivers tend to make less money for longer trips, companies can hide pay from drivers and passengers, and drivers traveling between states need to be protected by reciprocity. Comments that this bill will help address these issues.

**John O'Connor, Professor, CSU-AAUP:** Supports this bill because it would set minimum standards for drivers and require platforms to be more transparent about charges and pay.

**Veena Dubal, Professor of Law, UC College of Law:** Supports this bill because it would standardize pay for drivers ensuring they receive a fair pay for each ride and create a sense of predictability. Comments that the "gig economy" workforce is roughly 70% immigrants and people of color who have organize well to share their concerns.

**Joelle Fishman, Chair, CT Communist Party:** Supports this bill because many workers in need of employment have found rideshare driving to be a fall-back job, the requests for minimum standards and transparency are reasonable.

**Seth Freeman, Professor, 4Cs SEIU 1973:** Supports this bill because it would reflect the goals of Connecticut Drivers United, and would establish minimum pay standards for drivers, require platform transparency regarding charges and payments, and ensure that drivers in Connecticut have reciprocity with neighboring states.

**Sarah Ganong, State Director, Working Families Power:** Supports this bill because it would address unstable wages and working conditions. Comments that the transparency in this bill will also help both customers and drivers understand the business model of the industry that may lead to reform in similar industries.

**Carlos Gomez, Founder, Connecticut Drivers United:** Supports this bill because it is important to fight against the monopolies to ensure they don't destroy the quality of life for workers. Comments that these companies will no longer be able to buy off workers movements with lies or money.

**Winston Heimer, Executive Vice President, CT Alliance for Retired Americans:** Supports this bill because rideshare and delivery drivers should be ensured of minimum standards for fair pay and reciprocity in other states. Comments that this is one of several bills that will help attract and retain a strong workforce to Connecticut.

**Alex Johnson, App-Based Driver, Connecticut Drivers United:** Supports this bill because drivers like themselves have experienced decreased pay while customers are paying more that ends up going to the company and not the drivers. Comments that this bill would help

create better pay standards for drivers, transparency for drivers and customers alike, and reciprocity for drivers between states.

**Rajon Lewis, App-Based Driver:** Supports this bill because drivers need to be fairly compensated for long trips and drivers ensured reciprocity for trips between states.

**John Jairo Lugo, Community Organizing Director, ULA:** Supports this bill because it will help Connecticut be a state where workers can live with dignity.

**Nicholas Menapace:** Supports this bill because it will increase the ability of drivers to make better pay by setting minimum standards and helps by establishing reciprocity for drivers between states. Comments that it also creates transparency for both drivers and customers.

**Pablo Moraga, Yale Law, WIRAC:** Supports this bill because it guarantees the necessities that Connecticut workers should expect. Comments that the creates reciprocity between Connecticut and neighboring states that have regulated gig companies more than Connecticut currently does.

**Jack Nevin:** Supports this bill because it establishes minimum standards for pay, transparency for drivers and the state government, and reciprocity between states.

**Michael Oretade:** Supports this bill because he empathizes with those who are currently rideshare drivers and it is important to give them the protections and benefits that they deserve and are treated fairly.

**James Parrott, Director of Economic & Fiscal Policies, Center for New York City Affairs:** Supports this bill as a substitute version that does not define TNC and delivery workers as "non-employees", which would have carved them out from basic labor and employment protections under state law if they were labeled as such. Comments that it is important for the Labor Department to have the authority to enforce minimum pay standards.

**Youssef Rafik, App-Based Driver:** Supports this bill because it will help ensure that drivers are receiving a baseline fair share of pay for their work, which has been an issue recently as drivers have seen less pay overall with no explanation.

**Silvia Salinas, Community Advocate, Connecticut Worker Center:** Supports this bill because it will help giving a living wage to rideshare and delivery drivers.

**Colena Sesanker, Associate Professor, Gateway Community College:** Supports this bill because they have many family members, friends, and students working in the service industry.

**Caprice Taylor Mendez, President, Universal Health Care Foundation:** Supports this bill in solidarity with ride share and delivery drivers. Comments that these workers deserve a minimum standard of fair wages.

**Shernelle Wilson, App-Based Driver:** Supports this bill because it ensures that drivers receive a fair pay for their work. Comments that drivers tend to make less money for longer trips, and that companies can hide pay from drivers and passengers.

**Deborah Wright, Political Director, United Auto Workers Region 9A:** Supports this bill because it focuses on improving the pay for the drivers, helps improve transparency for drivers to prevent companies hiding pay, and establish reciprocity between states to help drivers that transport passengers across state lines.

**Joseph Adjei, App Based Driver:** He supports this bill, stating that recently drivers have been treated poorly by Uber, with little transparency involved. Additionally, they ask that reciprocity be addressed.

**Jody Barr, Executive Director, AFSCME Council 4:** They support this legislation, stating that rideshare and delivery drivers deserve better pay, and transparency on how their pay is calculated.

**Alexander Bhandary:** He offered comments in support of this legislation. He emphasized that low wage workers are often excluded from legal protections due to inadequate law and regulations or lack of enforcement. He explained how poor labor standards can negatively impact individual and community health since low wages are linked to decreased health status and increased incidence of diseases. He urged the committee to support this proposal to improve the lives of our state's workers.

**Jose Calderon, App Based Driver:** He expressed support for this proposal, sharing his own experiences driving with Uber and highlighting unfair circumstances that Connecticut drivers face.

**Bryan Chong, NBRCJ:** They offered comments in support of this proposal. They argued that without the ability to collectively bargain app-based drivers are rendered vulnerable to exploitation. He highlighted that drivers are overworked, underpaid, and marginalized while simultaneously putting themselves at risk, due to hazardous passengers or dangerous road conditions.

**Thomas Connolly, People's Center:** They support this proposal, arguing that it would help drivers gain minimum pay standards, and provide them with equal treatment in neighboring states.

**Liz Diehl, Associate Director, CCAG:** They offered comments in support of this proposal. They stated that it is critically important in establishing a manageable and safe work environment.

**Kim Forte, Executive Director, A Better Connecticut Institute:** They offered support for this legislation, stating that it would prevent multi-billion-dollar corporations from gauging wages of Connecticut drivers. They highlighted that this bill would provide transparency for drivers and customers alike, while also increasing earnings opportunity for this workforce.

**Timothy Gabriele, UNITE HERE Local 43:** They support this legislation, claiming it serves as a healthy dose of regulation of giant corporations' asymmetrical power to exploit workers. They stressed the importance that workers have transparency to understand what their future wages will look like.

**Amy Harris:** She offered her support for SB – 1180.

**Nelli Jara, Executive Director, CT Worker Center:** They offered comments in support of this proposal. They argued that their hard work should not go in vain, and they urge the committee to pass this bill so drivers will have a minimum pay standard.

**Hamza Karama, App Based Driver, CT Drivers United:** She offered testimony in support of this proposal. She emphasized that drivers have been suffering from decreasing pay without explanation, and this bill will ensure that they receive a fair and decent wage. She also highlighted several positive aspects of the bill, one being the reciprocity provision, which protects Connecticut drivers from losing hours of pay when driving to other states.

**Carmen Lanche, Comunidades Sin Fronteras:** She offered support for this bill, stating that it would prioritize the rights of Connecticut's workers.

**Luis Luna, Coalition Manager, Husky 4 Immigrants:** They offered testimony in support of this proposal. They highlighted that this proposal would ensure that drivers, many of which are immigrants or people of color, are paid a fair wage for their work.

**Florecienda Montenegro, Worker Leader, CT Worker Center:** They support this legislation, stating that it would provide these drivers with a guaranteed living wage.

**Daniel Ocampo, Legal Fellow & Staff Attorney, National Employment Law Project:** He offered testimony supporting SB 1180. He highlighted that platform labor companies have been denying their workers basic employment rights, such as minimum wage, collective bargaining rights, and the right to unemployment insurance and workers compensation. Companies have also been using algorithms to control workers while setting fares and wages to maximize profits, thereby affecting workers pay and consumer fares. He argued that this bill is a critical first step to allow drivers to build economic security and hold companies accountable.

**Jennifer Orlando:** She supports this proposal. She highlighted that it would provide basic standards for pay, transparency between drivers, consumers and the state government, and allows Connecticut drivers to pick up rides in other states.

**Jesenia Rodriguez, App Based Driver, CDU:** She offered comments supporting this bill. She stated that this bill would have a profound impact on her life by ensuring she receives fair pay for her time, by increasing transparency, and through allowing Connecticut based drivers to take rides in other states.

**Constanza Segovia, Organizer, Hartford Deportation Defense:** They offered comments supporting SB 1180. They highlighted that this bill addresses transparency on how drivers pay is calculated, along with reciprocity, so drivers can work in nearby states.

**Tanveer Singh, Yale Law WIRAC:** He provided testimony supporting this proposal. He highlighted the exploitation of app-based drivers in Connecticut through lack of pay and data transparency and by subjecting workers to daily volatile wages and entrenching a racial wage code. He argued that the bill will address these issues by setting minimum pay rates for drivers and ensuring transparency for both workers and customers.

**Thomas Sullivan, Vice Chair, CT Citizens for Progress:** They support this proposal, stating it would help protect workers by ensuring a basic standard for pay, allowing drivers reciprocity to work in neighboring states, and provide transparency for drivers, customers and the state government.

**Rodney Wade, Pastor, Long Hill Bible Church:** They support this legislation highlighting the benefits for workers, which include minimum pay standards, transparency and reciprocity to work in nearby states.

**Travis Woodward, President, CSEA SEIU Local 2001:** They offered comments in support of this proposal. They highlighted that it would provide drivers with important rights including minimum pay standard, trip receipts to both workers and passengers and requiring network companies to pay for other fees incurred during the trip.

**Natalie Wright, App Based Driver:** She supports this legislation, highlighting poor working conditions, low pay and lack of benefits for drivers. She mentioned the potential dangers drivers face, sharing her own stories of being attacked by a passenger, as well as a hit and run. She emphasized the manipulation and negligence of ride share companies and demands transparency, justice and protections for drivers.

#### **NATURE AND SOURCES OF OPPOSITION:**

**Eric Gjede, VP of Public Policy, CBIA:** Opposes this bill because drivers are already making a higher amount of money than the proponents of the bill imply. Comments that this bill will negatively impact the business model by disincentivizing drivers from being available during busy times and hurt passengers in lower density areas.

**Brendan Joyce, Public Policy Manager – New England, Lyft:** Opposes this bill because it would have a negative effect on both drivers and passengers. Comments that the legislature has already addressed the reciprocity issue in 2019, and that the bill would potentially create a hazard for the drivers as they may be filling out a post-ride disclosure while driving.

**Josh Gold, Uber Technologies Inc:** Opposes this bill, claiming it would fundamentally change the experience drivers, couriers and consumers have. They argued that the proposed earning standards would make Connecticut one of the most expensive markets in the nation and would negatively impact riders who rely on the affordability of Uber. They estimated an average increase of 158% per trip. Additionally, it may also lead to a reduction in trips for drivers which in turn would decrease their earnings.

**Christina Kennedy, Government Relations Lead, DoorDash:** Opposes this bill because it would place a new regulation on small business that utilize 3<sup>rd</sup> party delivery drivers and may negatively affect how businesses work with such drivers and companies.

**Robin Sommer, Deputy Policy Manager, Instacart:** Opposes this bill because they find that it misrepresents the relationship between app-based companies and drivers. Comments that the company gives 100% of customer tips to the drivers and have helped to grow the businesses that they deliver from.

**Ben Dubow, Forge City Works:** They offered testimony in opposition to this proposal, raising multiple concerns. They stated that employees who don't have transportation often commute through ride share apps, they worry that this legislation would cause less availability and more expensive rides, which could put those workers at risk of losing their jobs. They also highlighted the negative effects this could have on their "free ride" program, to assist workers with SNAP benefits transportation to get wholesome foods. Lastly, they raised concerns that this proposal would hurt small business through increased costs and negatively impacting margins.

**Christopher Gilrein, Executive Director, TechNet Northeast:** They offered testimony in opposition to SB 1180. They believe that the proposed rates would lead to increased costs for consumers, potentially reducing the number of rides available and lowering driver's take-home pay. They also highlighted that they already offer detailed information to drivers and urge the legislature against implementing a "one size fits all" structure.

**Robert Murdock, President, CT Convention & Sports Bureau:** They offered testimony in opposition of this proposal. They argued that this legislation would limit transportation options available in the state. They also raised concerns that this legislation would impact the ability to provide safe rides, while simultaneously raising the price of rides for app users.

**Tim Phelan, President, CT Retail Network:** They oppose this proposal, raising concerns that it would raise the price of essential services for Connecticut businesses and consumers in a time of high inflation.

#### **OTHER SOURCES OF TESTIMONY:**

**Bryte Johnson, CT Gov Relations Director, ACSCAN:** They offered general comments highlighting the critical role rideshare services has in providing cancer patients with transportation to access lifesaving cancer screenings and treatment.

**Reported by:**

**Date: 4/6/23**

**Sebastian Musante, Assistant Clerk  
Gabriel Marques, Assistant Clerk**