House Economic Committee Delegate C.T. Wilson, Chair Delegate Brian Crosby, Vice Chair Tuesday, March 11, 2025

Written Testimony for Uber Technologies, Inc. on HB1030, Transportation Network Companies – Deactivation of Operators – Policy and Appeal Procedure

Uber understands that losing access to an earning opportunity is one of the toughest moments for a driver—and the process of removing someone from the Uber platform is not a decision we take lightly. Uber never deactivates a driver because we want to. We do it when we *need* to—to ensure the safe and proper functioning of our platform. Uber's Terms of Use and Community Guidelines are grounded in relevant local law, regulations, and best practices. They are intended to keep our platform safe and compliant for *all* of our users. While well-intentioned, HB1030 has the potential to overly restrict how deactivation decisions are made and directly impact the safety of the Uber platform.

HB1030 is too restrictive and could adversely impact current safety standards. Uber understands that HB1030's goal is to minimize unfair deactivations by TNCs. Because of this, the bill includes certain definitions to provide guidance to TNCs. However, some of these definitions: (1) fail to capture certain behavior that should warrant deactivation; (2) do not provide sufficient time for a TNC to review potential behavior that should be considered for a deactivation; and (3) could even penalize TNCs for circumstances completely beyond their control. Here are just a few examples:

- **First**, the term "deactivation" is defined simply as any restriction of a driver's access to the platform for more than 48-hours, without any exceptions or carveouts whatsoever. The problem is that there are losses of access that should not count as deactivation. For instance, a temporary loss of access that can be resolved entirely by the earner—such as a driver providing an updated document. Defining a deactivation simply as 48 hours without access does not provide TNCs sufficient time to properly investigate a matter, speak with all parties involved, or gather evidence to determine if the conduct is in fact subject to deactivation. This actually ends up hurting *earners*—because it means TNCs will be forced to prematurely and permanently deactivate them out of fear that their review process will last longer than 48 hours. And at the exact same time, the bill states that deactivation cannot occur unless an investigation is "thorough enough." Safety advocates such as NO MORE and RALIANCE specifically support longer investigation periods when evaluating a potential deactivation.
- **Second**, the definition of "egregious misconduct" is not appropriately expansive, as it addresses an "immediate threat" only in the context of "the physical safety" of a rider. While the bill allows the Commission to further define "egregious misconduct" through regulation, the bill fails to give guidance as to what such conduct includes (*e.g.*, assault, sexual assault, sexual harassment, etc.), which could lead to the omission of certain behaviors from being considered for deactivation.

• **Finally**, the definition of "deactivate" or "deactivation" does not contemplate any circumstances where a driver may lose access to the platform due to reasons outside of the control of a TNC. For example-emergencies, inclement weather, or when a driver's statementated documents have expired.

HB1030 does not consider the current safety and deactivation process that is already in place on the Uber platform. In 2023, Uber made a commitment to be the fairest platform for flexible work. Since this commitment, Uber has published our deactivation principles and shared the improvements we've worked hard to make. We know that drivers want transparency, and we strive to provide that. Outside of egregious violations that require immediate removal, before a driver is deactivated, we alert the driver that their account is at risk. Drivers have the chance to provide any additional information, about what they think happened, along with any supporting evidence and media such as dashcam footage. Uber agents review the information received and determine if the report against the driver is valid, using additional data like GPS or timestamps to verify. We do this to hear both sides. If a driver is deactivated, they are never left in the dark. They are always told why their account has been deactivated and can appeal the decision right in the app. They are given instructions on how to submit an appeal, and we even provide tips to help them submit the most relevant information. After they've submitted an appeal, they can add even more information if they remember something later on or find new evidence. Once the review is completed-typically within 72 hours of submission-we let drivers know whether their appeal has been accepted or denied. While the decision is final, the driver can continue to share feedback and ask questions to support agents.

Keep in mind that in general, deactivation is not a common experience. Most drivers carry out day-to-day services on our app without violating our terms, and without ever experiencing any interruption of access. Permanent deactivations on our platform are *necessary* to deal with safety incidents, fraudulent activity, and the efficient functioning of our platform. Unfortunately, however, the proposed bill fails to consider the need for TNCs to consider certain critical information as a basis for deactivation. For instance, it expressly prohibits deactivations based on cancellation or acceptance rate, customer ratings and reports, background checks, driving records, and records of traffic violations—all relevant information for the safe and proper functioning of the platform.

The bill sets out overly broad requirements for TNCs to provide advance notice—as long as 14 days—prior to deactivating a driver, and to share all records that were "relied upon" to substantiate the deactivation. Such records even include the specific "date, time," and "location of the incident." This can jeopardize the safety and privacy of the reporting party, as it discloses to drivers exactly which rider reported them, which in turn creates retaliation concerns and even suppresses future reporting.

While we believe existing processes are fair and thorough, we welcome a continued dialogue with the Committee and would like to further discuss how we are striving to ensure drivers have a fair experience before any legislation moves forward.