



February 18, 2021

Dear Chairwomen Kushner and Porter, Ranking Members Sampson and Arora, and distinguished members of the Labor & Public Employees Committee,

On behalf of Uber Technologies, Inc., we appreciate the opportunity to provide public testimony on House Bill 6343. Rasier, LLC<sup>1</sup> has been connecting riders and drivers in Connecticut since April 2014. Each day, thousands of drivers in Connecticut use the Uber App to earn income on their own schedule and in doing so provide a much needed, reliable transportation option to people across the state. Additionally, Uber Eats, the food delivery app, launched in Connecticut in 2016, expanded statewide, and currently connects thousands of delivery workers to flexible earnings opportunities each week.

This past year, as the COVID-19 pandemic spread to communities in every corner of the State, Uber Eats took steps to ensure that hundreds of local retailers and restaurants could stay in business; thousands of individuals could continue to earn income to provide for themselves and their families; and our most vulnerable populations—including the elderly and immunocompromised—could continue to access food and essential supplies from their homes.

Drivers and delivery workers who find work through Uber are independent. They choose if, when, where, and for how long to work. There is no exclusivity, so many workers use multiple apps. There is no selection process. Anyone who passes a background check and meets the regulatory requirements to work as a driver or delivery person can use the Uber App. There is no minimum commitment or obligation to work. Drivers provide their own vehicles, and are responsible for the costs of running their business. In Connecticut, 43% of drivers and delivery people who get work through Uber drive fewer than 10 hours a week.

The term “flexible work” is often used to describe a diverse range of working models. While some forms of work may provide flexibility to employers or the contracting party, they do not offer much control and flexibility for individuals themselves. Even in the most informal flexible engagements, employers may establish rosters dictating when, where, and for how long a casual employee must work - restricting an employee’s ability to enjoy true and absolute flexibility. Drivers value the independence and freedom associated with being their own boss. In fact, 86% chose app-based driving to have flexibility in their schedule and 70% would not want to continue driving if drivers were reclassified as traditional employees.<sup>2</sup>

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<sup>1</sup> Rasier, LLC is a technology company that licenses a smartphone application, which includes a driver application and a rider application (“Uber App”). Rasier, LLC is a wholly-owned indirect subsidiary of Uber Technologies, Inc. Rasier, LLC holds a TNC permit in Connecticut (P-TNC2).

<sup>2</sup> (Benenson Strategy Group & GS Strategy Group, 2020) [Findings from our recent survey of likely 2020 Voters and app-based Drivers](#).



HB 6343, if passed, would force thousands of single parents, college students, retirees, and those whose traditional employment has been eliminated due to COVID-19 to seek roles that may not be available, take too long to secure, or fail to afford them the flexibility they want, during the worst economic crisis in decades. Accessible and flexible work opportunities can provide immediate and sustainable earning opportunities and also act as a short, medium, or long term economic bridge to traditional employment, education, or other goals. Rideshare work has been shown to be quite effective at softening the blow of a layoff or reduction in hours, offsetting 73% of income losses on average.<sup>3</sup>

Additionally, forcing companies in the “gig economy” into an employment model could have a significant and negative impact on the state more broadly. It’s likely that if Uber and Uber Eats were forced to switch to an employment model, not only would a large portion of the current workforce lose out on an earnings opportunity, but similarly to the [analysis](#) we conducted in California in Spring 2020, it’s likely that the less densely populated areas of the state would no longer benefit from on-demand rideshare and delivery, and those who live in more urban areas which would retain access to the services could see dramatic price increases.

In virtually every public survey over the last decade, the vast majority of workers have said they don’t want to be employees because of how much they value flexibility. [An independent survey](#) from the Rideshare Guy found that nationwide, 79% of respondents want to remain independent contractors, with only 13% expressing the desire to become employees. And last November, it became clear that voters support preserving access to independent work as well. Proposition 22, which guaranteed the right to flexible work while also providing new benefits and protections for millions in California passed with more than 58% of the vote, by a margin of nearly 3 million voters.

It’s clear that the “gig economy” isn’t perfect, but the current employment system is outdated and unfair. That’s why in August of 2020, Uber’s CEO published an op-ed in the [New York Times](#) proposing new benefits and protections for drivers, and called on industry and local government to come together to find a new solution for a third way, outside of the current binary employment system, to support the millions of workers who choose independent work.

Uber strongly opposes passage of HB 6343. Forcing this independent workforce into an employment model would upend the lives of thousands of Connecticut residents who depend on flexible work opportunities to support their families, and could cause large swaths of the population to lose access to reliable, affordable transportation, and access to critical services like food and item deliveries.

Regards,

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<sup>3</sup> (Koustas, 2018) [Consumption Insurance and Multiple Jobs: Evidence from Rideshare Drivers](#).