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The community and environmental benefits of peer-to-peer transportation networks, like Lyft, are based upon filling some of the 80% of seats in personal vehicles that go unused every day. This is accomplished by pairing people in need of a ride with people who are willing to give a ride with their personal vehicles. In order for peer-to-peer transportation to be successful, there must be a critical mass of casual drivers who are willing and able to give rides to fellow citizens. These drivers include some who provide several rides per day and others who provide relatively infrequent rides. The critical mass of drivers are also important for providing rides in otherwise underserved areas.

It is for this reason that the ability to recruit drivers, including casual drivers, is critically important for the peer-to-peer transportation model to be effective. In order to do so, barriers that provide minimal, if any, safety benefit, while making it more difficult for a driver to join a peer-to-peer network will ultimately destroy the peer-to-peer-transportation model.

Several aspects of the current draft ordinance will discourage casual, part-time drivers from participating in peer-to-peer networks. Lyft already conducts stringent background checks, vehicle inspections, and driving record checks through a streamlined process that ensures the public safety. However, the proposal imposes significant barriers to entry and additional regulatory requirements—forcing drivers to take an additional city training course, to engage in city vehicle inspections in addition to Lyft inspections at the time they join the network, acquiring special vehicle permits from the city, an additional Class L license from the city and fingerprinting. These multiple steps and the costs necessary to be permitted to provide peer-to-peer transportation are far too burdensome for the casual driver who will provide occasional rides.

Many of the deficiencies of the current transportation models can be efficiently solved through competition rather than additional regulations. Lyft and other peer-to-peer models are examples of what can be achieved when there is scale in transportation and many people within our communities participate. However, that can only happen when the system is such that the costs of participating do not outweigh the benefits and we allow innovative new systems to take hold. We appreciate the Council's attention to this matter and all of the hard work that Alderman Bauman has already done. We hope that there will be revisions to the ordinance to reflect our concerns.