



December 2, 2024

The Honorable Phil Mendelson
Chairman
Council of the District of Columbia
1350 Pennsylvania Ave NW, Suite 540
Washington, DC 20004

Re: Oppose B25-0416, the Carrier-for-Hire Oversight and Enforcement Amendment Act of 2024

Dear Chairman Mendelson and members of the Council:

On behalf of Chamber of Progress – a tech industry association supporting public policies to build a more inclusive society in which all people benefit from technological advancements – I write to oppose B25-0416. This bill would threaten economic opportunities for the thousands of District residents who work on app-based delivery platforms.

Thousands of District residents depend on carrier-for-hire services as a significant source of income

Courier-for-hire services, or app-based delivery platforms, have proven to be an economic lifeline for millions of Americans met with increasing financial strain due to inflation. In 2022, 35,000 D.C. residents participated in some form of gig work, including app-based delivery work. The majority of drivers use app-based gig work to supplement their income, with 36% working full-time jobs and 12% working part-time jobs in addition to app-based work.¹ In the final months of 2022, 95% of DoorDash drivers in the District worked fewer than 10 hours per week.²

Many of these workers use app-based work to supplement their income in the face of rising inflation. 69% of workers said app-based work helped them to make money in an emergency situation, and 63% said the income from app-based work allowed them to cover rising costs.³ Women, in particular, have relied heavily on gig driving, having been

¹ <https://www.flexassociation.org/wp-content/uploads/2024/03/Flex-Economic-Impact-Report-2024.pdf>

² https://assets.ctfassets.net/trvmqu12jq2l/4rDYb2yDA5IHCxeNevQ0NU/3df3bf9e8d1700a436ab649a5f1cd0e3/DC_Economic_Impact_2022_PDF_-_v3.pdf

³ <https://www.flexassociation.org/wp-content/uploads/2024/03/Flex-Economic-Impact-Report-2024.pdf>

disproportionately impacted by the increased cost of living. Women now make up 58% of DoorDash drivers⁴ and about 50% of Uber's delivery drivers.⁵

This bill would threaten economic opportunities for drivers by adding barriers to entry and increasing costs

B25-0416 would upend existing regulations of carrier-for-hire services and add a variety of new requirements not only for platforms, but for drivers themselves. For example, the bill introduces new insurance requirements for drivers using motor vehicles for deliveries in the District and would require platforms to verify that insurance. This requirement would raise costs and introduce new hurdles for workers looking to earn extra income.

The bill also creates new regulations governing the registration process, including requiring all drivers to submit to a background check and empowering the Department of For Hire Vehicles to require platforms to automatically reject applications based on the background check results. Similarly, the bill would override existing policies related to impaired driving, requiring platforms to automatically suspend drivers after receiving an allegation from a customer that a driver was impaired by alcohol or illegal drugs.

Delivery platforms take customer and driver safety seriously, and already have processes in place for registration and review of new drivers, many of which already include background checks, as well as terms and conditions for drivers operating on the platform.⁶ Overriding the existing policies in place would create confusion for existing drivers and would create additional barriers for new drivers. Strictly regulating platforms' responses to customer complaints and background checks also risks denying drivers due process and unnecessarily denying them financial opportunities.

Taken together, these requirements would make it more difficult for drivers to earn money in the District. Because the majority of drivers in the District are casual drivers, working fewer than 10 hours per week and using app-based work to supplement their income, it is unlikely that they would be able to adjust quickly to the new insurance requirements and regulations. Adding new hurdles for new drivers would also undermine one of the primary benefits of app-based work – the opportunity to earn additional income in emergency situations and cover unexpected costs.

⁴ See <https://doordash.news/dasher/a-majority-of-dashers-are-women-heres-why-they-choose-doordash/>

⁵ See <https://www.axios.com/2021/08/26/women-gig-economy-doordash-uber-delivery-driver>

⁶ See https://help.doordash.com/dashers/s/article/Dasher-Signup-Process?language=en_US, <https://www.uber.com/us/en/deliver/> and https://driver.grubhub.com/?utm_source=google&utm_medium=cpc&utm_campaign=Medium+%7C+Jobs+%7C+Driver+%7C+FBA&utm_term=food%20delivery%20jobs&utm_content=acct_id-8631537032:camp_id-21333635906:adgroup_id-163786765340:kwd-297363162709:creative_id-700772820913:ext_id-matchtype_id-p:network-g:device-c:loc_interest-l:oc_physical-9007535&gad_source=1&gclid=CiwKCAiA0rW6BhAcEiwAOH28IrE0mP-Kyixuu6Pk6reeCAeW02712VHEe5EO0kekRWJNrGtZZwzn_xoCYW40AvD_BwE&gclidsrc=aw.ds

Increasing barriers for drivers also risks causing ripple effects for small businesses and consumers in the District. Carrier-for-hire services have also become critical for increasing access to food, groceries, and household necessities. Between 2021 and 2022, 54 percent and 41 percent of adults surveyed nationwide reported they were likely to have frequently used an app to deliver food and groceries respectively,⁷ and studies suggest the average order frequency for groceries will increase at a 12 percent annual rate over the next five years.⁸ For residents in food deserts, particularly in Wards 7 and 8, delivery services can increase options for fresh foods. For the 10% of D.C. residents living with disabilities that affect their mobility, delivery services can ensure they have access to prescriptions and other daily needs.⁹ Restricting opportunities for drivers risks limiting access to food and groceries and making it more difficult for restaurants and grocers to reach customers.

We urge the Council to **reject B25-0416**, which has not had a public hearing, and instead take the time to hear from drivers, consumers, and small businesses in the District. This proposal would upend existing rules for carrier-for-hire services and threaten the livelihood of thousands of delivery drivers in D.C.

Sincerely,

A handwritten signature in black ink, appearing to read "Brianna January". The signature is fluid and cursive, with the first name being more prominent.

Brianna January
Director of State & Local Government Relations, Northeast US

⁷http://progresschamber.org/wp-content/uploads/2022/07/COP_Civic-Innovation_ANALYSIS.pdf

⁸<https://www.grocerydive.com/news/online-grocery-sales-will-increase-at-12-annual-rate-over-5-years-report/641578>

⁹ https://www.cdc.gov/ncbddd/disabilityandhealth/impacts/pdfs/DC_Disability.pdf