

2023 HOUSE INDUSTRY, BUSINESS AND LABOR

HB 1381

2023 HOUSE STANDING COMMITTEE MINUTES

Industry, Business and Labor Committee Room JW327C, State Capitol

HB 1381
1/30/2023

Relating to classifying a transportation network company driver as an independent contractor.

Chairman Louser called to order 11:06 AM

Members Present: Chairman Louser, Vice Chairman Ostlie, Representatives Boschee, Christy, Dakane, Johnson, Kasper, Koppelman, Ruby, Schauer, Thomas, Tveit, Wagner, Warrey.

Discussion Topics:

- Insurance coverage
- Addendum for ride share
- Flexibilities
- Transporting person or delivery
- Similar states
- Combustible engine
- TNC definition

In favor:

Representative Mitch Ostlie, District 12, Primary bill sponsor (no written testimony)
Don Larson, Representing Uber Technologies in North Dakota, #17893
Dustin Gawrylow, ND citizen, #17585, #17587, #17588, and proposed amendment, #17589

Representative Tveit moved to adopt the proposed amendment LC #23.0690.03001.
Representative Kasper seconded.

Roll call vote:

Representatives	Vote
Representative Scott Louser	Y
Representative Mitch Ostlie	Y
Representative Josh Boschee	Y
Representative Josh Christy	Y
Representative Hamida Dakane	Y
Representative Jorin Johnson	AB
Representative Jim Kasper	Y
Representative Ben Koppelman	Y
Representative Dan Ruby	Y
Representative Austen Schauer	Y
Representative Paul J. Thomas	N
Representative Bill Tveit	Y

Representative Scott Wagner	Y
Representative Jonathan Warrey	Y

Motion passed 12-1-1

Representative Wagner moved a Do Pass as amended.
Representative Dakane seconded the motion.

Roll call vote:

Representatives	Vote
Representative Scott Louser	Y
Representative Mitch Ostlie	Y
Representative Josh Boschee	Y
Representative Josh Christy	Y
Representative Hamida Dakane	Y
Representative Jorin Johnson	AB
Representative Jim Kasper	Y
Representative Ben Koppelman	Y
Representative Dan Ruby	Y
Representative Austen Schauer	Y
Representative Paul J. Thomas	Y
Representative Bill Tveit	Y
Representative Scott Wagner	Y
Representative Jonathan Warrey	Y

Motion passes 13-0-1

Vice Chairman Ostlie will carry the bill.

Chairman Louser adjourned the meeting 11:45 PM

Diane Lillis, Committee Clerk

January 30, 2023

1/30/23

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1381

Page 2, after line 16, insert:

"e. Does not prohibit the transportation network company driver from using a vehicle with an internal combustion engine."

Renumber accordingly

REPORT OF STANDING COMMITTEE

HB 1381: Industry, Business and Labor Committee (Rep. Louser, Chairman)
recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends
DO PASS (13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1381 was placed
on the Sixth order on the calendar.

Page 2, after line 16, insert:

"e. Does not prohibit the transportation network company driver from
using a vehicle with an internal combustion engine."

Renumber accordingly

2023 SENATE TRANSPORTATION

HB 1381

2023 SENATE STANDING COMMITTEE MINUTES

Transportation Committee
Fort Totten Room, State Capitol

HB 1381
3/16/2023

Relating to classifying a transportation network company driver as an independent contractor.

10:01 AM Chairman Clemens opened hearing.
Senators Present: **Clemens, Conley, Rummel, Paulson, Larsen.**

Discussion Topics:

- Uber
- Lyft
- Tax process
- Driver numbers

10:02 AM Representative Ostile introduced bill. #25451

10:08 AM Don Larson, Uber Technologies, in favor. #25389

10:12 AM Dustin Gawrylow, ND watchdogs Network, verbally testified in favor.

10:25 AM Chairman Clemens adjourned meeting.

Nathan Liesen, Committee Clerk

2023 SENATE STANDING COMMITTEE MINUTES

Transportation Committee
Fort Totten Room, State Capitol

HB 1381
3/17/2023

Relating to classifying a transportation network company driver as an independent contractor.

9:02 AM Chairman Clemens opened the meeting.

Chairman Clemens, Senators Conley, Larsen, Paulson, Rummel were present.

Discussion Topics:

- Committee Action

9:03 AM Senator D. Larsen moved Do Pass.

9:03 AM Senator Conley seconded.

Roll call vote.

Senators	Vote
Senator David A. Clemens	Y
Senator Cole Conley	Y
Senator Doug Larsen	Y
Senator Bob Paulson	Y
Senator Dean Rummel	Y

Passed 5-0-0

Senator Larsen will carry the bill.

9:04 AM Chairman Clemens closed the meeting.

Nathan Liesen, Committee Clerk

REPORT OF STANDING COMMITTEE

HB 1381, as engrossed: Transportation Committee (Sen. Clemens, Chairman)
recommends **DO PASS** (5 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING).
Engrossed HB 1381 was placed on the Fourteenth order on the calendar. This bill
does not affect workforce development.

TESTIMONY

HB 1381

HB 1381– Testimony by Dustin Gawrylow (Personal Capacity)

Mr. Chairman and members of the House IBL Committee

I write in support of this bill to ensure that rideshare drivers continue to be treated as Independent Contractors.

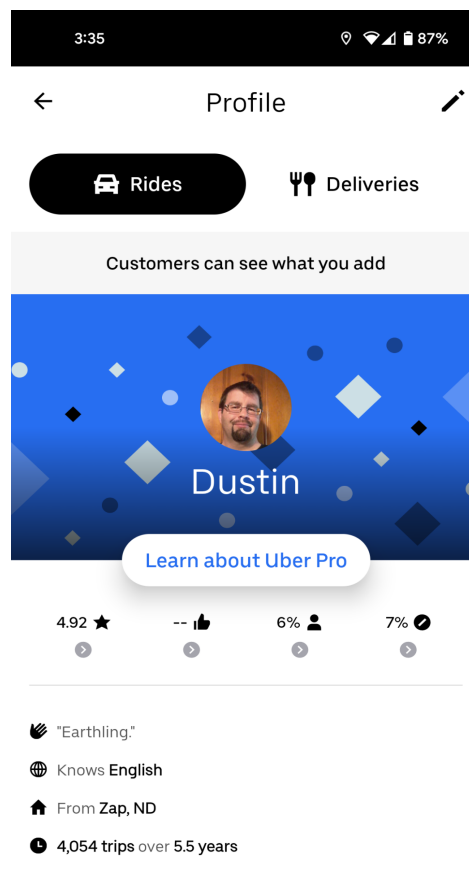
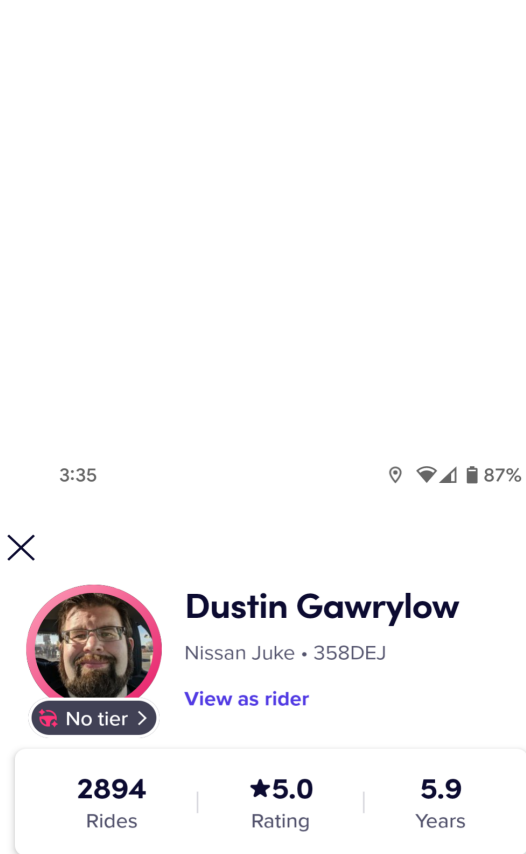
I have moonlighted part time as an Uber/Lyft driver for almost 6 years, amassing over 4,000 trips on Uber and almost 2,900 on Lyft.

While other states think they are protecting drivers by making them employees, the fact is that that may be good for full-time drivers, but it is terrible for part-time drivers.

As someone who is 100% self-employed, driver Uber/Lyft is an income-smoothing job. It would be very difficult to make a living doing it in North Dakota.

It also keeps a lot of people off the unemployment rolls in-between jobs. Not to mention the reduction in drunk driving that has been seen over the last 6 years.

I urge a DO PASS on this bill. If anyone has any questions about the on-the-ground side of the business, feel free to ask.



TRANSPO / ELECTRIC CARS / CARS

New York City will require Uber and Lyft to go 100 percent electric by 2030 / The proposed rule would likely affect an estimated 100,000 vehicles that operate in the five boroughs. And Uber and Lyft have both set the goal of transitioning to an all-electric fleet by 2030.

By **ANDREW J. HAWKINS** / @andyjayhawk

Jan 26, 2023, 2:15 PM CST

4 Comments / 4 New



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Image: Noam Galai/Getty Images for Uber Eats

In his State of the City speech Thursday, New York City Mayor Eric Adams announced that Uber and Lyft will be required to be zero emission by 2030. The decision by one of the world's largest markets for app-based ridehailing has the potential to affect an estimated 100,000 for-hire vehicles.

Adams said the move will build on efforts his administration has made to electrify the city's fleet of vehicles while installing charging infrastructure to power those vehicles throughout the five boroughs. The mayor will likely implement his plan through the city's Taxi and Limousine Commission, which regulates the for-hire vehicle industry, including Uber and Lyft.

Uber and Lyft, which normally chafe at new requirements and have been known to sue to block rules they don't like, sound largely positive toward the new development in New York.

Adams said the move will build on efforts his administration has made to electrify the city's fleet of vehicles while installing charging infrastructure to power those vehicles throughout the five boroughs

"We are excited to partner with New York City on our journey," Paul Augustine, Lyft's director of sustainability, said in a statement. "New York's commitment will accelerate an equitable city-wide transition to electric, and we're eager to collaborate with the TLC on an ambitious plan for a rideshare clean mile standard."

"We applaud the Mayor's ambition for reducing emissions, an important goal we share," Josh Gold, senior director of policy at Uber, said in a statement. "Uber has been making real progress to become the first zero-emissions mobility platform in North America, and there's much more to do."

Both companies are already in the process of taking steps to incentivize their drivers to switch to electric vehicles, either through partnerships with rental car

companies like Hertz or by authorizing higher fares for drivers who use EVs. [Uber](#) and [Lyft](#) have both said they aim for their fleet to be “100 percent electric” by 2030. Of course, getting the millions of people who drive for Uber and Lyft to switch to electric vehicles will be no easy task. Ridehail drivers are classified as independent contractors, and many use their personal cars to drive for not just one but several gig economy companies. Also, EVs tend to be more expensive than gas vehicles, despite costing less to fuel and maintain. That steep upfront cost may make it a challenge for many drivers, who typically operate with incredibly tight margins, to make the switch.

New York isn't the first government to require an all-electric ridehail fleet. California adopted new rules in 2021 requiring ridesharing companies to electrify their fleets by 2030 — a few years before the state expects to completely [prohibit the sale](#) of new gas cars.

 4 COMMENTS (4 NEW)

More from this stream [Thursday's top tech news: another Cybertruck delay](#)

GoldenEye 007 is now available on Nintendo Switch and Xbox

Jan 26, 2023, 7:48 PM CST

○ **Bloomberg profiled Ella Irwin, Twitter’s head of trust and safety under Elon Musk.**

Jan 26, 2023, 6:56 PM CST

○ **Google’s expanding Chrome’s Incognito lockdown on mobile and Safety Check**

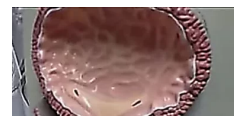
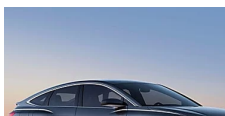
Jan 26, 2023, 5:55 PM CST

○ **Ford focuses on mobile services to help more customers escape dealership trips**

Jan 26, 2023, 3:02 PM CST

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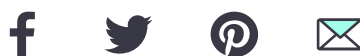
Uber to Exclusively Offer Electric Vehicles by 2030

"We have a target to be fully electric in the U.S., Canada and Europe," said Uber's CEO.

By [Marc Carter](#) Published September 23, 2022 01:00PM EDT  Fact checked by [Haley Mast](#)



Leon Neal / Staff / Getty Images



Ride-sharing platform Uber set a major goal of only offering electric vehicles in its fleet by 2030. According to Uber CEO Dara

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we have a target to be fully electric in the U.S., Canada, and Europe, Khosrowshahi told CBS reporter Ben Tracy.

Although we're still a few years from that deadline, Uber is already finding ways to make it easier for its users to request a ride in an electric vehicle with its Comfort Electric service. Previously this service was only offered to users in California, but Uber recently expanded it to include 24 cities throughout the United States and in Vancouver, Canada.

Comfort Electric differentiates itself from the [existing Uber Green service](#) by only hosting fully electric vehicles on the ride-sharing app, while the latter offers EVs and hybrid vehicles. The Comfort Electric option is still a bit pricier than a standard Uber, but Uber says the prices will drop once more EV drivers start using the app.

"The more electric cars we have in a particular market, the more the waiting time comes down and pricing can come down as well," Khosrowshahi stated.

There's no denying mass transit is more sustainable than cars, but ride-sharing platforms like Uber reduce the individual need and dependency on car ownership. Until cities are redesigned and mass transit becomes more equitable and accessible for all, every step counts.

Uber currently has approximately 25,000 EVs in its network, but it plans to double its EV presence to 50,000 vehicles by next year. According to the company, "EV drivers active on the Uber platform have avoided using over [5.7 million gallons of gasoline](#)" in 2022 alone.

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with a [California mandate](#) that will require all ride-hailing services to be fully electric by 2030.

Uber is also spurring EV adoption and trying to reduce its carbon fiber footprint now. It's already started giving drivers a dollar for every EV trip they take and even helping cover some of the charging costs. Uber has also partnered with Hertz to let drivers rent Tesla EVs on a weekly or monthly basis. Last year Hertz placed an order for 100,000 Tesla electric vehicles and it announced shortly after that up to 50,000 of those EVs would be available for Uber drivers to rent.

The Uber and Hertz partnership is available in several cities across North America, including Atlanta, Austin, Baltimore-Maryland, Boston, Charlotte, Chicago, Connecticut, Dallas, Denver, Houston, Las Vegas, Los Angeles, Miami, New Jersey, NYC suburbs, Philadelphia, Portland, Sacramento, San Antonio, San Diego, San Francisco, Seattle, St Louis, Vancouver, Canada, and Washington, DC.

For users that prefer to use Lyft instead of Uber, Lyft has also committed to having all of its vehicles be EVs by 2030 as well.


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 Uber Drivers Win Supreme Court Appeal To Be Considered Workers


Treehugger Voices
Uber Expands Electric and Transit-Friendly Offerings

 Best EV Conversion Companies of 2022

Automotive
Best EV Conversion Companies

 Commuters on foot and cycling


Transportation
What Is Vision Zero? Overview and Effectiveness

 2024 Volvo EX90

Environment
Meet Volvo's New All-Electric Flagship SUV

 Best Bike Share Programs 2022

Transportation
Best Bike Share Programs

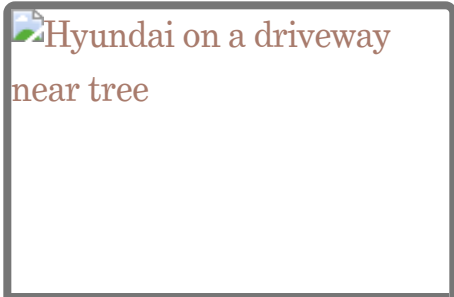
 A woman pours fuel (CNG gas) into the car. Germany

Automotive
What Is CNG Fuel? Understanding Natural Gas Vehicles

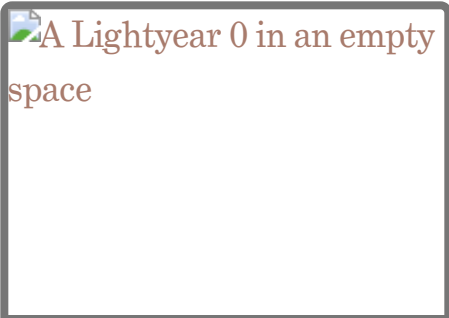
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A Truly Green Building Doesn't Have Parking

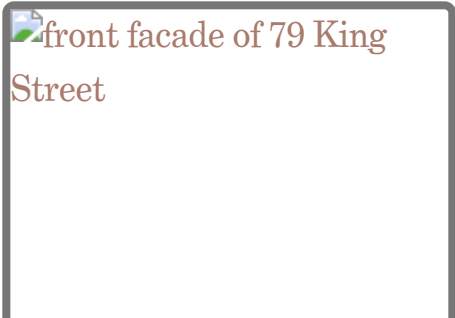
Business & Policy
California Orders Uber, Lyft to Transition to EVs by 2030



Environment
Hyundai's Ioniq 6 'Electrified Streamliner' EV Is Competing With Tesla's Model 3 Sedan



Environment
Lightyear 0 Is a Solar-Powered Car You Can Drive for Months Without a Charge



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This Mass Timber Passivhaus Rental Building Is Perfect for Active Adults

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The Auto Industry Alone Will Blow the 1.5-Degree Carbon Budget

Environment

Earth Rides Brings EV Ride-Hailing to Nashville


Business & Policy

Indigo Wants to 'Reinvent the Wheel' With EVs for Ride Sharing

 Best RV Rental Companies

Automotive

The Best RV Rental Companies in 2023

 woman and child on bikes in New York City

Environment

Electric Cars Are Not the Only Option for Low-Carbon Transport



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HB 1381– Testimony by Dustin Gawrylow (Personal Capacity)

Proposed Amendment:

E. Does not prohibit the transportation network company driver from using a vehicle with an internal combustion engine.

Good morning Chairman Louser.

Today I'm speaking on behalf of Uber Technologies in North Dakota. I'm here in support of House Bill 1381 which seeks to clarify when a transportation network company driver is an independent contractor.

I want to thank Representative Ostlie for his attention and support of this important issue. I also want to recognize all of the cosponsors of this bill.

To start with a little context - many of you know Uber as a rideshare platform that connects riders with drivers. This service has become popular across North Dakota around the world. The platform helps riders get where they need to go quickly, easily, and safely, while at the same time provides flexible earning opportunities for drivers.

Uber isn't the only company working in this space. You may have used Lyft or other companies for rides in North Dakota or while traveling.

These rides services are convenient and popular options that give additional flexible job opportunities to driver. And it makes it easy for people to access transportation when they may not be able to otherwise.

With that in mind, this bill is simply seeking to clarify that drivers who work on these platforms are independent contractors. This classification is important for a number of reasons.

First - it ensures that couriers maintain flexibility. In survey after survey, the top reason that people work with Uber is flexibility. The business model is set up so drivers can set their own schedules. They can open the app when they leave their 9-5 job and they can even drive with multiple platforms.

Second - it protects the modern business model and provides certainty for companies to continue offering these services in the state.

While we are not facing an immediate threat here in North Dakota, there are challenges happening right now in other states, and there's a lack of clarity at the federal level. A little work and attention now could prevent major challenges and disruptions in the future for North Dakotans looking to earn money and get around town safely.

This bill means: more options for consumers, more certainty for businesses, and more flexibility for drivers to set their own schedules and truly be independent.

Thank you for your consideration. I urge you to support House Bill 1381.

Don Larson
dlarson@odney.com

Good morning Chairman Clemens,

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Don Larson
dlarson@odney.com

Good morning, Chairman Clemons and members of the Senate Transportation Committee. For the record, my name is Mitch Ostlie, Representative D12 Jamestown.

I am here to introduce HB 1381. This bill is to clarify and remove any doubt that transportation network drivers are independent contractors and not employees of the company.

Drivers currently set their own hours and choose which fares they wish to accept. It is also common that individuals drive for other transportation network companies, and some may even be considered competitors of each other. These are all definite characteristics of an independent contractor.

There have been some questions and lawsuits on this in other states. Hopefully with passage of this bill it will avoid any ambiguity in our current law.

This concludes my testimony, and I can take questions. There is someone else to testify on this bill and they may also be able to answer questions.

Thank you.