A MORE FAIR SHARING ECONOMY:

Ensuring Equal Access to Uber and Lyft

Committee for Review of Innovative Urban Mobility Services (which included Professor Michael Manville and was chaired by Professor Brian Taylor, both of UCLA)

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RESEARCH TOPIC

The adoption of new technologies is boosting so-called transportation network companies (TNCs) like Uber and Lyft. These services provide new employment opportunities, increase options for travel, and potentially decrease auto use. However, the available evidence suggests that TNCs are not providing service equitably to low-income, minority, and disabled populations; this is particularly problematic because TNC usage has increased over the past years, a trend which is expected to accelerate. Importantly, taxi companies—which are typically mandated to equitably serve low-income communities as well as disabled individuals—are losing market share to TNCs. Thus, it is crucial that policymakers focus their attention on TNCs to ensure that they serve society's most vulnerable individuals.

Total Active Uber Drivers Over Time (by US City)
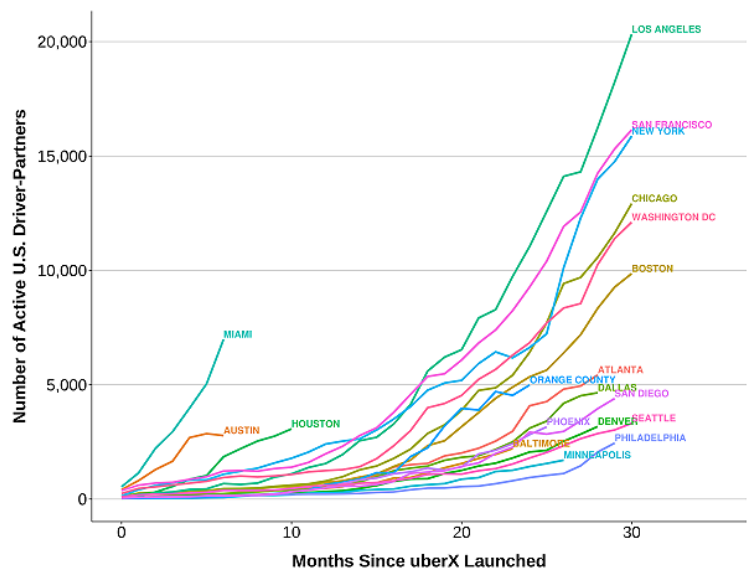
Hall, J. V., & Krueger, A. B. (2015). An Analysis of the Labor Market for Uber's Driver-Partners in the US. *Princeton University Industrial Relations Section Working Paper, 587.*

RECOMMENDATIONS

• Government transportation planners and regulators should consider strategies to improve access to TNCs for disabled individuals. Uber and Lyft have already created systems that match such individuals with drivers who own accessible vehicles. Cities should encourage these programs. Moreover, because elderly or disabled passengers often require more expensive vehicles outfitted with lifts, public officials should consider ways to defray such costs. Utilizing general revenue or fees derived from a surcharge on all TNC trips are possible ways to subsidize higher trip charges.

• It is not possible to fully address TNC access equity without possessing more and higher-quality data on the rates of TNC utilization among different groups. After all, taxi regulations are often imposed—and modulated—in response to data showing uneven access to taxis. Therefore, policymakers should mandate the reporting of basic trip data from TNCs to gain more information about whom TNCs are serving and where rides are being arranged. These data are already being collected and organized by TNCs, and so the reporting of these data could be done fairly easily in the context of regulatory mandates.

Over the course of 18 months, a group of a dozen researchers—led by Brian Taylor and including Michael Manville—studied the growth and diversification of transportation network companies (TNCs) such as Uber and Lyft. Data on TNCs, though limited, were utilized when possible and combined with interviews with experts. The researchers then recommended policies and regulations to improve outcomes for all involved. Among other findings, the researchers described how certain groups are underserved by TNCs, and detailed strategies to lessen this disparity.

Accessible LA Taxi Cab

LA Yellow Cab Website, 2016

Uber-WAV (Wheelchair Accessible Vehicle)

Uber Newsroom, 2016

MAIN FINDINGS

- The expansion of TNCs has the potential to provide increased mobility to the elderly and the low-income, but such individuals often lack smartphones, internet access, and credit cards, which are all needed to use Uber and Lyft.
- In many communities, taxis serve as a crucial lifeline service for low-income and disabled individuals (largely as a result of government mandates requiring taxi companies to serve passengers from a wide area and provide some taxis that are wheelchair-accessible). Thus, if the growth of TNCs drives taxi companies out of business, low-income and the disabled individuals may suffer in the absence of new service mandates on TNCs.
- Currently, TNCs are mostly focused upon providing rides to one person (or a related group) at a time. However, TNCs are starting to provide concurrent ride sharing platforms (with a driver transporting multiple, unrelated passengers to similar destinations). An increase in concurrent ridesharing will likely benefit low-income groups able to access cheaper—if somewhat longer and more circuitous—trips.
- Regulators often demand data from taxi companies in an effort to ensure that such companies are serving the community equitably. On the other hand, regulators usually lack such data from TNCs. In the absence of this information, it is difficult to know which markets TNCs are serving.

Committee for Review of Innovative Urban Mobility Services. "Transportation Research Board Special Report 319: Between Public and Private Mobility: Examining the Rise of Technology-Enabled Transportation Services." Retrieved from http://www.trb.org/Main/Blurbs/173511.aspx.