

March 12, 2024

Representative Zack Stephenson
Minnesota House of Representatives
449 State Office Building
St. Paul, MN 55155

Dear Chair Stephenson,

Thank you for the opportunity to comment on House File 4746.

The Department of Labor and Industry (DLI) has been engaging stakeholders on this topic over the last year through the directives of the Governor's Executive Order 23-07, which was issued in May 2023. The executive order established a Committee on the Compensation, Wellbeing and Fair Treatment of Transportation Network Company Drivers.

The TNC Committee met over the course of six months to collect and analyze data and information related to the working conditions of TNC drivers, and to draft recommendations related to compensation and fair treatment of TNC drivers. The work of the committee concluded in December 2023 with a set of 24 consensus recommendations to the Governor.

The committee was made up of 15 members, including TNC representatives, TNC drivers, drivers' representatives, local and state government leaders, and other stakeholders. Commissioner Arnold of the Department of Commerce and I served as the co-chairs of the committee. During public meetings our committee heard directly from drivers, TNC companies, cities, and drivers' representatives about the experiences of driving for a TNC in Minnesota.

The committee organized recommendations around 5 topic areas:

- pay transparency
- minimum compensation
- deactivation and due process
- driver support
- insurance

The administration fully supports the 24 consensus recommendations outlined in the committee report.

House File 4746 contains policy that was not included in the consensus recommendations of the committee. At this time, the administration cannot take a position of support on anything beyond the consensus recommendations until there is an opportunity to receive broader stakeholder input and agreement.

Executive order 23-07 also directed the commissioner of DLI to "commission and oversee a *study* to obtain and analyze data and information related to the working conditions of transportation network company (TNC)

drivers in Minnesota and how potential changes may impact access and cost for riders.” While the committee was meeting to build consensus for TNC policies for the state, DLI was implementing the second part of the Executive Order to commission that study. The study report was published on March 8, 2024.

That report, “TNC Driver Earnings Analysis and Pay Standard Options” offers a range of pay standard options to calculate a minimum compensation for TNC drivers that costs out basic expenses and comprehensive benefit expenses. The analysis used Minnesota TNC trip data from 2022 (a data set of more than 18 million rides), a TNC driver survey, and Minnesota expenses and benefits data to determine a range of options for a pay standard.

Now that the study is complete, the administration is committed to engaging with stakeholders and the authors to build agreement on a pay standard supported by the report.

I firmly believe that with time and effort put towards building stakeholder agreement, we will get to a bill that has broad support.

Sincerely,

A handwritten signature in black ink, appearing to read "Nicole Blissenbach". The signature is fluid and cursive, with the first name "Nicole" written in a larger, more prominent script than the last name "Blissenbach".

Nicole Blissenbach
Commissioner