Deactivations

Presentation to the Minnesota TNC Task Force

Brent Kent



Agenda

- Deactivations 101
- Deactivations Categories
- What Drivers See
- Washington's 2076

Deactivations 101

Lyft invests in encouraging drivers to join and continue driving on the platform

- Lyft's business model a platform that matches supply and demand in real time
- Having adequate "driver supply" on the platform allows Lyft to match with riders to get them to their destination efficiently and on time
- Finding ways to encourage drivers to continue choosing Lyft, in line with the requirements set by cities in MN and our community guidelines, is high priority for Lyft
- Every driver who is temporarily blocked or permanently deactivated from the platform is a lost opportunity and harms our business overall
- Investing marketing resources into attracting and onboarding new drivers is a significant chunk of Lyft's operating expense in MN and nationwide
- In short, it is directly against Lyft's business model to deactivate drivers unnecessarily

Process

Driver Account Flagged

Flagged via user reporting or the app

Temp Deactivation

(If applicable)

Temp deactivation during investigation or until the driver is able to remediate the issue

Remediation

In some situations (eg. expired documents), drivers can go through remediation steps through the app

Agent Investigation

Decision made and communicated

If a permanent deactivation is applied, drivers are blocked from the driver mode and receive an email informing them their account has been deactivated. If temp deactivation is lifted, driver resumes.

Deactivation Categories

Primary Deactivation Reasons:

- 1. Safety
- 2. Compliance Requirements
- 3. Fraud

Safety

- Maintaining the safety of the platform is of paramount importance
- As a platform, Lyft relies on information provided by drivers and riders to make decisions and judgement calls that help keep the platform safe
- If we receive an allegation, we make sure that both parties have an opportunity to provide us their side of the story
- The types of incidents that fall under this category are allegations of driving under the influence, sexual misconduct, erratic driving, etc. which endangers riders and the public.
- Temporary deactivations are used to help ensure the community stays safe while we investigate incident reports.

Fraud

- We work to ensure that bad actors attempting to commit fraud against Lyft or its users are removed from the platform.
- This can include document fraud, collusion, or identity issues.

Community Safety Report

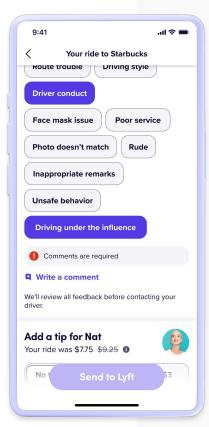
- Safety incidents on Lyft are statistically very rare. The type of safety incidents detailed in the Lyft Community Safety Report occurred on 0.0002% of rides, and well over 99% of all rides occur without any safety report at all.
- The report includes data about three categories of safety incidents reported on the Lyft platform in the U.S. from 2017 to 2019: motor vehicle fatalities, fatal physical assaults, and the five most severe subcategories of sexual assault (according to a taxonomy developed by RALIANCE, a national sexual violence prevention organization).

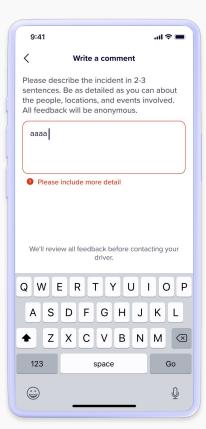
Compliance Requirements

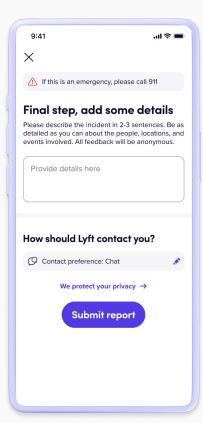
- Many cities (Minneapolis, St Paul, Duluth, Mankato and Rochester) have specific requirements for Lyft and drivers to operate including specific documents that drivers need to maintain
- Lyft is required to ensure that drivers meet regulatory requirements, including background/DMV checks, insurance and other requirements by cities including the Twin Cities and Duluth
- When documents are set to expire, we send drivers reminders, requesting them to update the documents or risk suspension

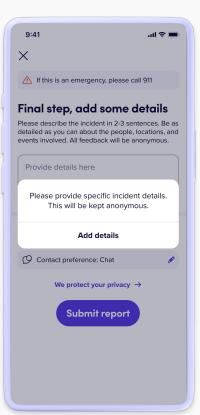
The User Experience

Collecting information from riders on allegations is crucial to the investigation process



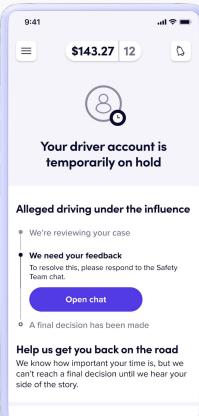


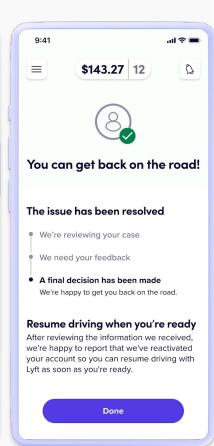




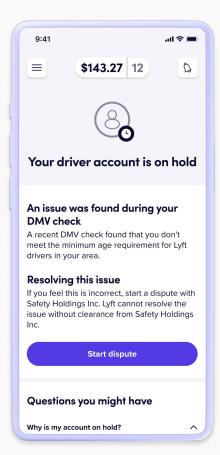
2 Providing push notifications and transparent and actionable info to drivers

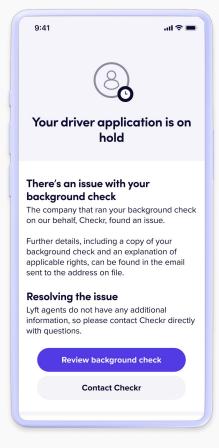


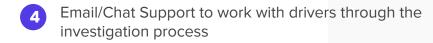




For deactivations due to background check requirements, when applicable, providing opportunities to review documents and work directly with the third party to reinstate/renew







SL: Your driver account is on hold

Hi [NAME],

I'm reaching out to let you know your driver account has been put on hold. We're looking into a potential violation of our <u>Terms of Service</u>.

I know this takes you off the road and my goal is to get back to you as quickly as possible. I'll reach out with more details soon.

What happens next?

A specialist from our Trust and Safety team will be assigned to your case. They'll reach
out by phone and email and keep you up to date.

How long will this take?

 Most cases can be responded to within the business day. However, it may take longer to get back to you if further investigation is needed.

Who can I reach out to?

- You can respond directly to this email or any of the follow-up emails we send.
- For privacy reasons, team members at the Hub or local office, including our support line, can't assist with deactivation reviews of this nature.

What can I do while I wait?

 If you have any information that you think may help the team regarding this decision, please feel free to respond directly to this email.

We'll do everything we can to support you as we resolve this case. We really appreciate your patience at this time.

Best,
[SUPPORT NAME]

Notices to Drivers

Hi

Your driver account has been flagged for poor passenger experiences. Please review the following:

- Cancelling too often: Unless you have an emergency or safety concern, you should try to complete every ride you accept. <u>Learn more about cancellations</u>.
- Tapping to arrive before you really arrive: You've been starting rides before you're at your passenger's pickup location, which confuses and overcharges them. Make sure you only tap to arrive once you've actually arrived.

These violate the Lyft Terms of Service and put your driver account at risk. We appreciate your commitment to our community and are here to support you. But if we continue to receive reports like this, it could lead to account suspension and permanent deactivation of your Lyft driver account.

We've sent previous emails about poor passenger experiences with your driver account. Since this has continued and violates the Lyft Terms of Service, you've been logged out of driver mode for 59 minutes.

- Cancelling too often: Unless you have an emergency or safety concern, you should try to complete every ride you accept. <u>Learn more about cancellations</u>.
- Tapping to arrive before you really arrive: You've been starting rides before you're at your passenger's pickup location, which confuses and overcharges them. Make sure you only tap to arrive once you've actually arrived.

We're here to help: If you have any questions about the above, or need more resources, please let us know. Keep in mind that if nothing changes, your driver account will be permanently deactivated.

Your recent rides reflect poor passenger experiences that could lead to deactivation. See your email for more details.

Notices to Drivers

We've reached out several times about poor passenger experiences connected to your Lyft driver account. It's important for our community to feel safe, supported, and satisfied. Because we reached out without seeing any changes, your driver account has been permanently deactivated.

Though you won't be able to be a Lyft driver, you are always welcome back as a passenger.

Since reports of poor experiences from your passengers have continued, your driver account has been permanently deactivated from Lyft. See your email for more.

Washington

What we have supported in WA

A comprehensive statewide Independence + Benefits Solution

- Statewide proposal
- Earnings floor
- Pay transparency
- Protections against wrongful deactivations
- Guaranteed independence and flexibility

Washington Driver Resource Center - Overview

- HB 2076 in Washington set up a "Driver Resource Center", run as a non-profit, to support driver deactivation appeals
- The center was funded through a combination of state tax funding (for the first 2 years), followed by a per-ride fee that will kick in starting in year 3
- The law lays out the requirements for setting up the DRC and requirements for what the appeals process would look like, but left the specifics to be negotiated by the DRC and the companies at a later date.

Washington Driver Resource Center - Policy Details

- The bill requires companies to provide notice of deactivation in email for ALL DEACTIVATIONS
- The driver appeals process through the DRC does NOT COVER the following types of deactivations:
 - A block in access to the platform for less than 3 or more consecutive days
 - Deactivations related to "sexual harassment or harassment due to someone's membership in a protected class, or physical or sexual assault, or willful or knowing commitment of fraud"
 - Deactivations related to an allegation that the driver was under the influence of drugs or alcohol while a related active investigation that takes no longer than 10 business days is under way

Appeals for ELIGIBLE Account Deactivations

For eligible account deactivations,

- A DRC representative can support the driver, upon the drivers' request, throughout the appeals
 process
- The parties are required to come to a good faith, informal resolution within 30 days of the driver notifying the TNC that they want to appeal the process
- For deactivations that cannot be resolved informally, the parties must resolve the case through a
 mutually-agreed upon neutral third party which has the authority to make binding decisions within the
 confines of the law

The bill requires the Department of Labor and Industry is required to

- 1. Select the organization to run the DRC and verify they meet the bill's requirements
- 2. Ensure that agreements the parties enter into meet the requirements of the law
- 3. Maintain broad oversight over the appeals process, similar to its oversight over the rest of the bill