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**Testimony by Lyft, Inc. opposing House Bill 7678**  
**Rhode Island General Assembly**  
**House Committee on Finance**  
**5/15/2024**

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Chair Abney, First Vice Chair Slater, Second Vice Chair Marszalkowski, and esteemed members of the House Committee on Finance:

Thank you for the opportunity to share our perspective and contribute to this important discussion on H-7678. We support the important goals of Transit Forward RI and recognize the critical need for municipalities to fund infrastructure projects in their communities. However, there is State funding already generated from Lyft rides which should be utilized. Lyft riders already pay the Rhode Island sales tax for every trip that originates in the state. We would support earmarking portions of our remitted sales tax funds toward Transit Forward RI or local municipalities, but we cannot support asking riders to pay two different taxes for the same trip. Adding an additional surcharge would impose a second level of taxation that we believe is unfair for riders and would result in Rhode Island having the 5th most expensive rideshare taxes in the nation.

Lyft's rideshare platform connects riders and drivers, providing riders with alternatives so they do not get behind the wheel impaired, can find rides to work or school, or get to their destination even when public transit is unavailable. The affordability of rideshare services through the Lyft platform is a key factor in why many Rhode Islanders choose to get around using Lyft on a daily basis. We're focused on keeping rides affordable while also ensuring drivers are paid competitively. While we appreciate the important policy priorities raised by the sponsors of H-7678, we oppose passage of the bill for this reason.

According to Lyft's Economic Impact Report for 2023, 43% of all U.S. rides begin or end in low-income areas. Lower-income riders are 70% more likely than higher-income riders to use Lyft to find transportation. Disabled riders also heavily rely on Lyft's affordability. 93% of riders living with a disability say that Lyft has increased their access to transportation.

Riders are very price sensitive, and we're concerned that an additional surcharge will have a negative impact on the ability of riders to affordably get around the Ocean State, especially for those who are low-income or live with a disability.

We're also concerned a new surcharge may limit Lyft's ability to connect riders with public transit options around the state, directly undercutting the central aim of Transit Forward RI to enhance mobility for residents. 92% of riders say that Lyft increases access to transportation in their communities and half (49%) say they've used a Lyft service to get to or from public transit. 39% of riders say they've used Lyft to get around when public transit doesn't operate. Increasing fares for these riders may make them less likely to use Lyft for first mile/last mile connections to public transit options across Rhode Island.

In 2023, some of the top destinations for Lyft trips in Rhode Island included Providence Airport, the Providence Amtrak/MBTA station, various supermarkets, and Rhode Island Hospital. Riders are using Lyft to access other modes of transportation or essential services and we believe it would be unfair to ask them to pay a new fee on top of the sales tax they already pay during each ride.

We look forward to engaging with the honorable members of the House Committee on Finance regarding H-7678. We respectfully request that you oppose the passage of this bill.

Thank you for your time and consideration,

Brendan Joyce  
Public Policy Manager - Northeast U.S.  
Lyft, Inc.