

TESTIMONY

Submitted to the Joint Committee on Financial Services

In Support of:

HOUSE BILL 961

An Act establishing portable benefit accounts for app-based-delivery drivers

November 6, 2023

**Elizabeth Mahoney, Vice President of Policy and Government Affairs
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Dear Chair Feeney, Chair Murphy, and Members of the Committee,

Thank you for the opportunity to testify in favor of House Bill 961. My name is Elizabeth Mahoney and I am the Vice President of Policy and Government Affairs for the Massachusetts High Technology Council. The High Tech Council is the Commonwealth's oldest cross-sector association of CEO-level leaders of technology, professional services, and research institutions. The Council has a 46-year history of non-partisan advocacy in support of our mission to make Massachusetts the world's most attractive place in which to live and work, and in which to create, operate, and grow high technology businesses.

Two of our efforts central to that mission are: (1) ensuring Massachusetts' competitiveness with other states and (2) strong talent pipelines, including advancing diversity and equity in our workforce. This bill would help the Commonwealth achieve both of those objectives.

The High Tech Council supports this legislation because it would help Massachusetts retain successful technology platforms while ensuring workers maintain flexibility and receive robust benefits and protections. As multiple polls show, this is what the overwhelming majority of app-based drivers want.

App-based rideshare and delivery services have transformed the transportation landscape. Their integration into our state's innovation economy has facilitated the movement of people enabling significant economic growth.

Under this legislation, these services would continue to be a valuable resource for consumers. And the consumer groups who have benefited from these services are diverse, spanning many industries and communities.

App-based operators have been a go-to mobility option for many employees of our member companies, providing easy access to tech campuses that aren't served by the transportation network in Boston and Cambridge. This includes entrepreneurs and tech workers working late into the night after trains have stopped running or who need reliable food delivery, and hospital workers working shifts at irregular hours that don't match the MBTA's schedule. Thousands of Massachusetts residents work in knowledge industries in neighborhoods where public transit isn't adequate to meet their needs – commuting or otherwise.

The benefits of these services are not just anecdotal – according to Lyft's 2023 Economic Impact Report, 91% of all riders in Massachusetts say Lyft increases access to transportation in their communities, and a majority have used a Lyft service to find a ride to or from public transit. Half of all riders have used Lyft to find a driver when public transit does not operate, which is notable given ongoing service issues at the MBTA.

Many people in Massachusetts, not just drivers, stand to lose if app-based drivers were to be reclassified.

The High Tech Council also believes we should not be shutting the door on disruptive technology platforms. Massachusetts is rightly known as a technology leader, but making it impossible for these platforms to operate in Massachusetts when states are aggressively competing for talent and capital would be a step in the wrong direction.

Thank you for your consideration.