TESTIMONY OF JOSEPH OKPAKU VICE PRESIDENT, GOVERNMENT RELATIONS, LYFT, INC. U.S. SENATE COMMERCE, SCIENCE AND TRANSPORTATION MARCH 15, 2016

Chairman Thune, Ranking Member Nelson and members of the committee. My name is Joseph Okpaku and I am the vice president of Government Relations for Lyft. Thank you for the opportunity to testify today on this very exciting and important topic.

The development of autonomous vehicles is at a pivotal moment. Autonomous vehicle technology has the potential to bring immense benefits to consumers, commuters, city planners, and governments. Lyft is excited to take our extensive experience bringing radical innovation to transportation by way of ridesharing and applying this experience to the world of autonomous vehicles. We are also eager to be a resource for this committee, and others like it that are tasked with developing policy that fosters the growth of the autonomous vehicle industry.

My fellow panelists represent all the components required for the successful deployment of autonomous vehicles: you have the auto manufacturers with the expertise in designing and building autonomous vehicles. You have parts manufacturers whose products will be vital for making these cars run. You have the best engineering minds in the world who have made it possible for these cars to be safer than human drivers. And you have Lyft, a company perfectly suited to bring this technology to cities and consumers all across the country.

There are at least two other, equally important components that will determine the future of autonomous vehicles. The first is the interaction of everyday people with these new vehicles, and the second is the much more unpredictable interface of the government with this entirely new transportation resource.

Lyft has unique experience in these two areas and this is where I'll focus my testimony. Lyft launched four years ago as the first digital platform that uses a smartphone to allow people to give other people a ride in their personal vehicle.

Lyft's goal was to encourage people to give up their own vehicles and instead use the empty seats in a neighbor's car. In order to accomplish this, we knew that certain critical factors needed to be addressed.

First, it had to be safe. Extensive background checks for drivers were a must, followed by unprecedented transparency and accountability for everyone involved in the ride.

Innovations that include real time consumer feedback and automatically emailed digital receipts with the ride route, driver name and driver picture are a key part the reason for the rapid adoption of Lyft. It's also why 30 percent of our drivers and the majority of riders are women.

Second, the service had to be efficient for drivers to participate. It is easy for a driver to apply to drive on the platform -- they can initiate the process from their phone -- but difficult for them to qualify.

Third, for consumers, we knew that a vehicle had to arrive within minutes of pressing a button for it to feel like a good alternative to grabbing your own keys and driving your own car.

In a few short years, these key principles have enabled an entirely new transportation industry to evolve out of pre-existing and largely idle resources. By any measure it is remarkable and it wouldn't have happened if it wasn't safe, affordable, and convenient.

This rapid evolution of the transportation industry has clearly demonstrated that consumers are increasingly willing to give up the steering wheel and instead have a vehicle arrive at the push of a button.

One recent statistic from the University of Michigan clearly underscores this shift in consumer priorities. In 1983, 46 percent of sixteen year olds obtained a driver's license. In 2014, that figure has dropped to twenty four percent.

That's a fifty percent change in something that I was a hundred percent certain I wanted more than anything else when I was sixteen.

Something very real and fundamental is shifting here.

We are on the doorstep of another evolutionary leap in transportation and technology, where concepts that once could only be imagined in science fiction are on the verge of becoming a reality. The partnership between Lyft and General Motors is based upon the knowledge that autonomous vehicles can bring enormous benefits in road safety, congestion, and public spending on parking infrastructure, just to name a few. This partnership is also founded on the shared understanding that the fastest way to bring the benefits of autonomous vehicles to consumers is via a ridesharing network like Lyft's.

To be sure, there are very serious challenges to be faced in bringing the full value of autonomous vehicles to market for mass consumption, and the greatest potential obstacle is constrictive legislation and regulations. The worst possible scenario for the growth of autonomous vehicles is an inconsistent and conflicting patchwork of local, municipal and county laws that will hamper efforts to bring AV technology to market. Regulations are necessary, but regulatory restraint and consistency is equally as important if we are going to allow this industry to reach its full potential.

This is an area where Lyft has vast experience and has learned very valuable lessons. Three years ago, only one state had issued a regulatory framework for the ridesharing industry. Today, 30 states have enacted legislation for this industry, with another bill currently sitting on a Governor's desk awaiting signature.

Over this period, we have spent thousands of hours meeting with lawmakers, regulators, and law enforcement in order to help craft innovative and appropriate legislation. We've met with the foremost academic minds and industry experts. We've given testimony at hundreds of proceedings. This is the experience that Lyft brings to the table as we embark on the mission of providing autonomous vehicles to the public.

With the help of this body, a dedicated effort to tackle hard questions, and a commitment to ensure that regulation doesn't inhibit innovation, we can succeed.

We look forward to working with this committee to ensure that autonomous vehicles can arrive safely and efficiently on America's roads.

I thank the committee for holding this hearing and working towards this common goal. I'm happy to answer any questions you may have.