

# Stakeholder Perspectives on the Sustainable Transportation Implications of On-demand Ridehailing

Susan Pike

*Institute of Transportation Studies, University of California, Davis*

March 2021

## POLICY BRIEF

### Issue

There is much uncertainty over whether on-demand ridehailing services, namely Uber and Lyft, will worsen or alleviate existing transportation problems such as congestion, emissions, and inequities in access and mobility. For policymakers, transportation planners, and others in the transportation arena, these unknowns have created uncertainty over which policies would best steer ridehailing toward equitable and sustainable outcomes. To address these uncertainties, researchers at UC Davis assessed how stakeholders from different groups view the possible impacts of ridehailing and the policies that might best address those impacts. The researchers evaluated these questions through in-depth interviews with stakeholders from 38 agencies and organizations throughout California. Interviewees included transportation planners, members of state agencies, and representatives from non-profit organizations and the ridehailing industry.

Interviews covered the following topics: (1) what the organizations do; (2) any work they are doing related to ridehailing services, and their views, discussion topics, or experiences with ridehailing policies that could improve environmental sustainability; and (3) preferences about ridehailing policies and what level of government would be most appropriate for such policies.

### Key Research Findings

**Transportation stakeholders anticipate mostly negative impacts of ridehailing companies, especially in relation to public transit.** Most comments on the possible

impacts of ridehailing were related to the potential negative impacts on public transit. On average interviewees made 1.7 negative comments compared to 0.7 positive comments. Other negative impact areas that were mentioned included air quality, bicycling, and walking. However, seven interviewees noted positive impacts related to first- and last-mile outcomes, potentially one of the most beneficial roles of ridehailing.

**There is limited support for ridehailing taxes.** While a ridehailing tax on single-passenger trips could encourage pooled travel and reduce environmental impacts, about one-third of the interviewees expressed negative sentiments when asked about implementing ridehailing taxes. Three interviewees made both positive and negative comments, and another three had positive responses to this idea. In addition, several pointed out that taxes or fees should target all single-passenger vehicles, not solely ridehailing services.

**Incentive-based policies and partnerships may be more favored than a ridehailing tax for achieving sustainable outcomes.** Other policies covered in the interviews included incentives such as preferential right-of-way and curb access for pooled trips, and new mobility programs such as partnerships between ridehailing companies and public transit agencies. These avenues, in comparison to taxes, received more positive mentions in the interviews.

**Local governments want to keep local control.** When discussing the appropriate level of regulations, only six interviewees advocated for federal involvement, while approximately half (17, 19, and 16 for state, regional, and local, respectively) supported

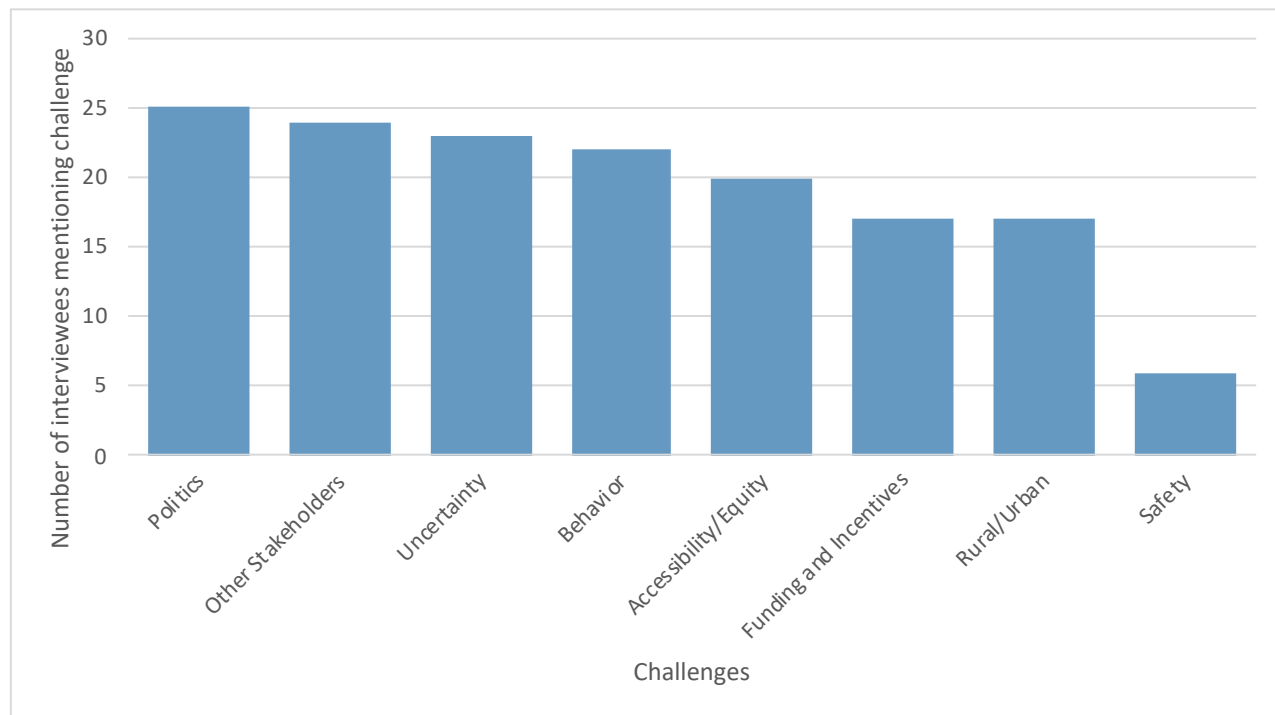


Figure 1. Challenges in addressing impacts of ridehailing services, as noted in interviews with 37 California transportation stakeholders (one interviewee did not note any challenges)

policy making at other levels of government. Many local government stakeholders stressed that policies to address ridehailing must meet their unique needs and voiced a desire to maintain control of relevant planning decisions. However, there was some interest in a balance between local- and state-level programs.

**There are numerous obstacles for any policies related to ridehailing (Figure 1).** Interviewees noted many challenges related to ridehailing policies or programs, including those for improving environmental outcomes of ridehailing. Challenges include changing individual behaviors, politics, and uncertainty about the impacts of ridehailing. Interestingly, safety was not mentioned frequently (only noted in six interviews), but interviews were not conducted during the COVID-19 pandemic. More stakeholders would likely express concerns over health and safety, particularly related to pooled rides, if interviewed during the pandemic.

## More Information

This policy brief is drawn from two reports from the National Center for Sustainable Transportation: “Sustainable Transportation Implications of On-Demand Ride Services,” authored by Susan Pike and Kelila Krantz of the University of California, Davis, and “Ridehailing, Uncertainty, and Sustainable Transportation: How Transportation Stakeholders are Responding to the Unknowns Surrounding Ridehailing,” authored by Susan Pike and Raiza Pilatowsky Gruner of the University of California, Davis. The full reports can be found on the NCST website at: <https://ncst.ucdavis.edu/project/sustainable-implications-on-demand-ride-services/>, and <https://ncst.ucdavis.edu/project/addressing-uncertainty-outcomes-demand-ride-hailing-and-sustainable-transportation>.

For more information about the findings presented in this brief, please contact Susan Pike at [scpike@ucdavis.edu](mailto:scpike@ucdavis.edu).

The National Center for Sustainable Transportation is a consortium of leading universities committed to advancing an environmentally sustainable transportation system through cutting-edge research, direct policy engagement, and education of our future leaders. Consortium members: University of California, Davis; University of California, Riverside; University of Southern California; California State University, Long Beach; Georgia Institute of Technology; and the University of Vermont.

Visit us at  
[ncst.ucdavis.edu](https://ncst.ucdavis.edu)

Follow us:

