



Transportation Trades Department, AFL-CIO

## **Transportation Labor Unions Denounce Ridesharing as a Substitute for Public School Student Transportation Infrastructure**

Since their entry into the economy, [transportation network companies \(TNCs\) like Uber and Lyft](#) have expanded beyond ridesharing and food and package delivery to partnerships with transit and governmental agencies at the expense of taxpayers, all while continuing to invest millions of dollars into fighting efforts to ensure their drivers earn fair wages and benefits. Most recently, we have witnessed alarming moves by TNCs to enter student transportation – work that has traditionally been provided by professional, licensed school bus workers. Companies like HopSkipDrive and Zum are marketing themselves as “smart transportation solutions” for replacing the traditional yellow school bus model as school districts continue to recover from the pandemic era shutdowns.

Proponents of these services point to non-existent “workforce shortages”, but the reality is, the TNC business model is an exploitative, dangerous alternative that undermines workers’ rights and children’s safety in order to cut costs. Solving the real challenges of our nation’s school transportation system has to begin with ensuring these jobs are good jobs that provide competitive pay and benefits commensurate with the qualifications and trust school bus workers have earned.

The solution to fixing school bus service throughout the country is not to double down on low-cost, profit-driven models that undermine student, parent and worker interests in favor of the bottom line. As federal, state, and local governments look to improve school bus services in our communities, there must be minimum requirements to ensure that any operator providing school transportation can safely carry students without undermining workers’ wages, working conditions, or benefits that have helped make school bus drivers such an iconic part of American life. **Federal action is urgently needed to create and oversee these minimum requirements before cash-strapped municipalities begin to destroy their existing infrastructure for school transportation and fall victim to the TNC industry’s predatory business model.**

### **The Need for A Strong Federal Regulatory Framework**

TNCs who market their services to school districts work under their own terms outside of the regulatory framework that applies to licensed school bus operators. This poorly regulated industry paired with the market’s seemingly endless monetary support for “new tech startups” has allowed companies in this space to propagate very quickly. Silicon Valley startups like KiddieCommute, EverDriven and KidzJet have entered the student rideshare marketplace. HopSkipDrive has steadily expanded since its founding in 2014 and now operates in 15 states and Washington, D.C. Zum, which entered the market in California in 2016, has secured contracts with several school districts, including San Francisco, Oakland, Los Angeles, and Seattle.

This rapid growth has come with concerning, large scale failures. At the start of the 2023 school year, after Zum secured a contract with the Howard County Public School System in Maryland, [thousands of students](#) were stranded, tardy or taken to the wrong location. In early 2024,

HopSkipDrive waited months after a data breach to notify more than 155,000 drivers that their personal data was exposed. In transportation generally, and especially when it comes to school age students, people should never be used as test subjects as these companies fumble through route-optimization, code errors, and poor decision-making. The dangers of allowing these untested, uncertified companies to operate without oversight is clear and immediate. Conversely, [school buses are the most regulated vehicles on the road](#). They are designed with kids' safety in mind through compartmentalization – closely spaced seats and high, energy-absorbing seat backs – and are safer than passenger vehicles in preventing crashes and injuries. Additionally, in every state, stop-arm laws exist to protect children from other motorists.

### **Rideshares Are Not The Answer To Staffing Challenges**

The Labor movement [has repeatedly called out](#) false claims of staffing shortages across the transportation industry. The school bus industry is no different. While companies like [HopSkipDrive](#) peddle a narrative of “bus driver shortage”, the reality is that the TNC business model exacerbates the cause of staffing issues by lowering standards in the industry and making school bus jobs less attractive for workers. The independent-contractor transportation model popularized by Uber and Lyft creates low-wage, no-benefit jobs that then compete against high-road employers and union labor – putting downward pressure on wages and benefits. Qualified school bus workers have many options for employment and will, when given the opportunity, choose jobs that provide the best possible value for their families. Collective bargaining agreements allow bus drivers to bargain for better working conditions. When school districts offer competitive wages and benefits they face fewer employee hiring and retention barriers. Demeaning these workers by cutting pay and benefits forces more and more drivers, mechanics, dispatchers, and others out of the industry to higher-quality jobs elsewhere.

The practical realities of scheduling and pay are driving the staffing challenges many school districts face today. Many school bus operators are forced to work split shifts which both deny them full-time status and prevent them from seeking secondary employment. Additionally, wages in the industry have not kept pace with equivalent jobs due to general public budget constraints. A recent [report](#) from the Economic Policy Institute found that school bus driver employment still remains well below pre-pandemic levels, with an aging workforce that leaves the talent pipeline especially vulnerable without an influx of hiring and retaining younger workers. The enormous responsibilities carried by school bus workers is not being matched by the quality of jobs offered in the industry. Contracting these services out to subpar, bargain basement tech startups whose business model preys on low-wage workers is a slap in the face to working families who have safely transported students for generations.

### **Communities Suffer When We Undercut Essential Workers**

Outsourcing the responsibility of student transportation to TNCs disintegrates support structures for students and lowers the safety standards for student transportation. Ultimately, students will suffer from a transition towards these services.

School bus workers in high-quality jobs serve as a vital support system for students. Drivers and aids see the same students 10+ times each week. These workers identify abuse, malnutrition, concerning behavior, and other social ills as a function of their work. They also serve as role

models and as responsible adults for the children on their routes. School bus workers in stable jobs provide salutary benefits to their communities every day on a human level – an essential component to ensuring students have the ability to learn, grow, and reach their potential. At a time when schools are reporting peak [absenteeism](#), removing the eyes, ears, and heart of school transportation services will further disconnect pupils from the education system.

Equally concerning, TNCs have no federal oversight or standards. Traditional yellow school buses must be purpose-built for the safety of transporting school-age children, must be operated by qualified workers with a commercial driver's license, and are overseen by the Federal Motor Carrier Safety Administration. As with far too many of our transportation rules, these requirements were implemented over decades of tragedies where children were harmed due to lack of oversight from regulators and employers. TNCs are now attempting to exploit loopholes in these rules to provide the same services without any federal safety requirements. While this lack of safety rules allows these companies to save on compliance costs and undercut traditional school bus providers' bids, it also creates significantly more risks for students using the service. We have no doubt that these additional risks will eventually result in catastrophic accidents – a future we should never accept for children commuting to and from school.

### **TNC Model Threatens the Transition to Zero-Emission Vehicles**

To date, the Environmental Protection Agency's (EPA) [Clean School Bus Program](#), updated and funded through the Bipartisan Infrastructure Law, has awarded nearly \$2 billion to fund roughly 5,000 school bus replacements at over 600 schools across the country. The Administration is not alone in investing in the clean school bus transition; the labor movement is as well. After years of dedicated organizing efforts from the United Steelworkers, BlueBird Corporation factory workers in Georgia voted to join the union last year. BlueBird, which received [\\$40 million in federal funding](#) to build electric school buses, exemplifies an ideal two-fold approach to the clean energy transition: 1) to ensure that workers who want to unionize are able to do so without facing union-busting tactics from their employers and 2) to pair good union jobs in the clean energy sector with federal funding that further advances our shared mission. This ensures that federal funding is creating high-quality jobs across the school bus supply chain while improving health benefits for children who use these buses on a daily basis. When done correctly, transitioning to these new vehicles benefits manufacturing workers, operating workers, public sector workers, and school bus riders in immediate and long lasting ways.

While the EPA's Clean School Bus Program has demonstrated substantial benefits in terms of job creation and public health, replacing these buses with Transportation Network Company (TNC) services could undermine these positive outcomes. Studies have shown that TNCs, such as Uber and Lyft, contribute to increased vehicle miles traveled (VMT) on our roads, leading to higher congestion and emissions. For instance, research from the University of California, Davis found that TNCs add 2.6 new vehicle miles for every mile of personal driving they replace, exacerbating urban congestion and pollution levels. Replacing school buses that can hold nearly 80 children with small passenger vehicles runs directly counter to long-standing public policy supporting traffic mitigation and undermines billions of dollars invested in clean public transportation.

## **Federal leadership is urgently needed to address TNCs used for school transportation**

Some states, like California, are already [eager to regulate](#) student rideshare companies in an effort to conserve the high safety-standards for student commuting that professional school bus drivers adhere to nationwide. **Rather than a patchwork of state laws regulating student rideshare transportation services, we are calling for The U.S. Department of Transportation and Congress to develop a strong federal regulatory framework to ensure minimum safety standards for student school transportation services.**

The TNC industry must be held accountable for the economic and social impacts of their business practices – especially their effects on vulnerable communities like schoolchildren. We urge education agencies, transportation service providers, and lawmakers to examine the exploitative practices of ride-hailing services within the student transportation sector.

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