

MMDC Rideshare Support Program

Mid-Minnesota Development Commission is working to reduce transportation barriers, including barriers encountered by those who cannot drive due to age or disability. One way we're doing this is by piloting a new program, the **MMDC Rideshare Support Program**, to bolster rideshare services (e.g. Uber, Lyft). With generous funding from the Willmar Area Community Foundation, MMDC has launched this new program in Kandiyohi County. We hope to incorporate lessons learned and spread the program throughout our four-county region.



Frequently Asked Questions:

How Does The MMDC Rideshare Support Program Work?

MMDC's Rideshare Support Program incentivizes two rideshare drivers to operate within Kandiyohi County, during times when other transportation is unavailable or harder to access. Selected drivers receive a tapered rideshare startup subsidy for their first 26 weeks of operation. The goal is to give our engaged rideshare drivers a real opportunity to develop a critical mass of regular customers so that service is both profitable and sustainable over the long-term.

What Is The Amount Of The Rideshare Startup Subsidy? Drivers started with a \$450 per week subsidy. Periodically, that subsidy amount is reduced by \$50. This will continue over the course of 26-weeks, as shown here.

The subsidy is gradually reduced with the understanding that the drivers are increasing their customer base, delivering more rides, and earning more money through their rideshare platforms.

Weeks	Subsidy Amount
1-4	\$450
5-8	\$400
9-12	\$350
13-16	\$300
17-20	\$250
20-26	\$200

How Do The Selected Rideshare Drivers Earn This Rideshare Startup Subsidy? Selected drivers must be “on duty” and providing rides after 2 p.m. on weekdays or anytime during weekends and holidays, for a minimum of 30 hours each week. As the goal of this pilot project is to improve transportation access for Kandiyohi County residents, all rides must begin and/or end within Kandiyohi County. After each week, our engaged drivers share log data from their rideshare app to receive the rideshare startup subsidy.

Drivers also receive coaching and outreach assistance from MMDC, as they’re expected to grow their customer base during the 26-week subsidy period, through their marketing, community outreach, and via referrals from satisfied customers. To ensure comfort and rideshare understanding among potential rideshare customers, MMDC arranges driver “meet and greet” and rideshare customer education events.

Can Drivers Operate Outside Of The Program-Required Hours? Absolutely! Drivers are encouraged to be “on duty” as much as they like so they can help our neighbors get where they need to go. However, to earn the rideshare startup subsidy, they will need to operate at least 30 hours each week, after 2 p.m. on weekdays or anytime on weekends and holidays.

Is The Rideshare Startup Subsidy On Top Of The Drivers’ Regular Rideshare Earnings? Yes. We know it will take some time for drivers to establish the solid base of regular customers they need to make rideshare service delivery worthwhile, and that their earnings will be understandably smaller during their startup periods. The rideshare startup subsidy is intended to ensure drivers earn enough to cover their living and operating expenses as they grow their rideshare business.

Will This Rideshare Startup Subsidy Be Considered Taxable Income? Yes. Drivers will receive a 1099 tax form and are encouraged to consult with a tax professional.

How Are The Rideshare Drivers Vetted? Drivers and their vehicles need to be approved by their selected rideshare platforms/companies (e.g., Uber and/or Lyft). This includes any related background checks. Drivers also need to ensure proper insurance coverage. MMDC assumes no liability.

Will Rideshare Customers Receive Any Sort Of Discount Through The MMDC Rideshare Support Program? Not at this time. The goal of this program is not to reduce the cost of rideshare service to the customer. Rather, our goal is to help rideshare service take hold within our region, to the point where it is sustainable over the long-term.

How Will The MMDC Rideshare Support Program Benefit Our Communities? MMDC believes that, as more people in our region take advantage of ridesharing services, more drivers will be motivated to operate here, and transportation barriers will be reduced. This is already starting to occur!

Additionally, we’re aware that a handful of rideshare drivers already live within our region but travel to larger communities, like St. Cloud or the Twin Cities, to provide their services. This is because there are greater numbers of rideshare users in these more urban areas, so they can deliver more rides and earn more money. We want to make local operation just as lucrative, or nearly so, once commuting costs to larger cities are subtracted.

Who Should I Contact For More Information On The MMDC Rideshare Support Program? Anyone interested in learning more should contact MMDC Transportation Resource Coordinator Terry Smith at Terry.Smith@mmdc.org or (320) 894-1871.

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