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August 30, 2018

The Honorable Philip Ting
Assemblymember, District 19
State Capitol
Sacramento, CA 95814

RE: Opposition to Assembly Bill 1184

Dear Assemblymember Ting:

On behalf of the R Street Institute, we strongly oppose AB 1184, which would allow the city and county of San Francisco to impose a per-ride tax of up to 3.25 percent on transportation network companies (TNCs) for rides originating in that jurisdiction. It also includes the developing technologies of autonomous vehicles and zero-emission vehicles.

The R Street Institute is a Washington, D.C.-based think tank with offices in Sacramento. We promote pragmatic free-market solutions and seek to encourage the development of the high-tech economy, which is largely centered in the San Francisco Bay Area.

This bill would provide a strong disincentive for the growth of the TNC industry in the city. It will increase prices for consumers, who are increasingly dependent on TNCs for their transportation needs. It will also provide a disincentive for new technologies, such as autonomous vehicles and zero-emission vehicles, to be developed in the city. Autonomous vehicles offer great potential for improving the lives and mobility of Americans, especially elderly and disabled people who currently have limited access to transportation. Likewise, zero-emission vehicles offer great potential for reducing pollution and battling climate change. All such technologies should be encouraged, not hampered with additional taxes and regulations.

It's particularly disturbing that this significant action would be proposed as a gut-and-amend bill, which deprives Californians of the opportunity to fully debate such a significant policy initiative. The state of California should be encouraging these promising new tech industries. The city of San Francisco should

be encouraging these industries to expand and develop within its confines, rather than chasing it away to other jurisdictions.

We strongly oppose this legislation.

Sincerely,

Ian Adams
Associate Vice President of State Affairs
R Street Institute

Steven Greenhut
Western Region Director
R Street Institute