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Hon. Edmund G. Brown Jr.
State Capitol, Office of the Governor
Sacramento, CA 95814

Re: Assembly Bill 1184 (Ting)

Dear Governor Brown,

On behalf of the R Street Institute, we strongly request a veto of 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. This tax would also apply to 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 the elderly and people with disabilities, 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 Unfortunately, AB 1184 could result in a patchwork of municipal taxes which, instead of creating uniformity, may chase business away to other jurisdictions.

We strongly urge a veto.

Sincerely,

Ian Adams
Associate Vice President of State Affairs
R Street Institute

Steven Greenhut
Western Region Director
R Street Institute