



Internet Association



Engine

NetChoice

*****OPPOSITION FLOOR ALERT*****

AB 2777 (Nazarian): Transportation Network Companies

June 1, 2016

The Internet Association, TechNet, Engine and NetChoice are **OPPOSED** to **AB 2777 (Nazarian)** and urge your **'NO'** vote when the measure comes before you. We have numerous concerns, including:

- **The bill has not been amended according to commitments made in policy committee by the author.** The Assembly Utilities & Commerce Committee conditioned the bill's passage on the author taking amendments that would ensure TNCs would not be subjected to new legal liability under the bill. Those amendments have NOT been taken.
- **The bill is unnecessary.** TNCs already perform robust national criminal background checks on their drivers, and no TNCs desire to use the method offered in AB 2777. So why do we need this bill?
- **Sets the stage for mandated fingerprint background checks.** While this bill is currently permissive, eliminating only four words in the bill – “at the request of” – turns AB 2777 into an absolute mandate for fingerprint background checks.
- **The bill is premature.** The California Public Utilities Commission has already stated their intent to examine background checks in Phase III of their TNC rulemaking process.
- **With TNC technology, every ride is a real-time safety checkpoint.** One of the primary reasons consumers have flocked to ridesharing services is the internet-enabled innovation that has set a new standard for rider and driver safety. For example:
 - Removing anonymity by giving riders their driver's name, photo, and vehicle information in advance
 - Tracking all trips using GPS and letting riders share their route live on a map with their loved ones
 - Promoting accountability through a two-way feedback system for every ride, which protects both drivers and riders

*****For these reasons and more, we must OPPOSE AB 2777 (Nazarian)*****