



April 10, 2018

The Honorable Miguel Santiago, Chair
Assembly Communications and Conveyance Committee
State Capitol, Room 6027
Sacramento, CA 95814

Re: Oppose AB 2986, Changing TNC Background Checks

Dear Chairman Santiago:

The San Francisco Chamber of Commerce, representing the interests of thousands of local businesses, is writing to urge you to oppose AB 2986, which seeks to amend Transportation Network Company (TNC) driver background check requirements under Public Utilities Code Section 5444.2. These background check requirements went through a thorough review process last year by both the state legislature and the California Public Utilities Commission (CPUC). There is no reason or justification to amend requirements that only recently went into effect.

The CPUC adopted new rules on TNC background checks in November of 2017 after an extensive outreach process. These rules align with the requirements set forth under Section 5444.2. The CPUC began its inquiry in June 2016 and solicited several rounds of detailed comments and held a public workshop in February 2017. The CPUC's effort created a robust record consisting of hundreds of pages from TNCs, industry participants, and interested third-party groups. Their decision outlining background checks requirements was well supported and should not be revisited at this time.

The California State legislature enacted AB 1289 last legislative session, creating background check requirements that went into effect four months ago. The bill passed the Senate 39-0, demonstrating that the California legislature recognizes that commercial background checks effectively ensure safety for the TNC industry. This bill also aligns with Prop 47, which was voted into law by California voters and reclassified some nonviolent crimes as misdemeanors. It allows individuals with low-level, nonviolent misdemeanors to supplement their income through driving.

Reopening this issue so shortly after extensive review by both the CPUC and the California legislature sets a bad precedent. TNC drivers and TNCs should have certainty in knowing what laws are in place. For these reasons, the San Francisco Chamber of Commerce urges you to oppose AB 2986.

Thank you,

A handwritten signature in black ink, appearing to read 'Jim Lazarus'. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Jim Lazarus
Senior Vice President of Public Policy