From:Kyndell Gaglio <kyndell@turo.com>Sent:Thursday, May 13, 2021 8:08 AMTo:Rep. Kelly MerrickSubject:Opposition of HB 90

The Honorable Kelly Merrick Co-Chair, House Finance Committee Alaska State Capitol Juneau, Alaska 99801

The Honorable Neal Foster Co-Chair, House Finance Committee Alaska State Capitol Juneau, Alaska 99801

Re: Opposition of HB 90

Dear Co-Chairs Merrick and Foster and Members of the House Finance Committee:

As you may be aware, Turo is currently the only peer-to-peer car sharing platform available within Alaska. You're also likely aware that Alaska, like much of the nation, <u>faces a desperate shortage of rental cars</u> available during the summer tourist season. Community members can leverage Turo to share vehicles with visitors and fill that gap, helping Alaska provide much-needed transportation this season.

Companies like Turo give your constituents both an opportunity for small business diversification and a boost to the tourism infrastructure needs just around the corner. We would like to be part of that conversation, and to work with the State to encourage and foster innovative companies like ours to stay in Alaska and grow. Legislation like this does precisely the opposite: it signals an attack on an exciting new industry that could benefit your constituents in a variety of ways.

While HB 90 would tax and regulate Turo as just another incumbent rental car company, it is not. Turo owns no cars, and the platform is substantially different from a rental car company.

We understand that the State seeks to impose a rational tax and regulatory framework on peer-to-peer car sharing platforms. But a blanket bill written by a multi-billion dollar rental car company without meaningful collaboration with the peer-to-peer car sharing industry and its stakeholders makes little sense as a public policy matter.

Despite being the only business targeted by this bill, incredibly Turo has never been invited by the sponsors to comment, to contribute, or to share the vast array of knowledge it has in this complicated arena. Nor to our knowledge have any of the many stakeholders involved been asked to participate in any kind of meaningful stakeholder engagement. In other states, large, diverse stakeholder groups have convened and coordinated on drafting rational, effective laws that encourage a cooperative working relationship. These groups included businesses, municipalities, regulatory agencies, insurance companies, bankers, and a host of other affected parties.

The approach in Alaska has been quite different. This is special interest legislation designed and pursued by large rental car companies to affect a perceived competitor in the marketplace. Imagine Blockbuster Video writing laws to regulate the Netflix streaming service. The business models are completely different.

We encourage this Committee to work with the stakeholders to fashion a lasting, reasonable legal framework and tax structure. Turo and the community members leveraging our marketplace to earn necessary extra income to make ends meet would appreciate an opportunity to engage with you.

Thank you for your consideration.

Sincerely, Kyndell Gaglio

--**Kyndell Gaglio** Government Relations & Legislative Counsel



From:	Rose Feliciano <rose@internetassociation.org></rose@internetassociation.org>
Sent:	Wednesday, May 12, 2021 8:24 AM
То:	Rep. Kelly Merrick
Subject:	HB 90 - Internet Assn OPPOSES
Attachments:	5-13-2021 AK HB 90 Internet Assn OPPOSES - FINAL.pdf

Dear Rep. Merrick:

Internet Association (IA)respectfully must oppose HB 90 which will be before the House Committee on Finance on Thursday, May 13th.

The peer-to-peer vehicle sharing industry is just getting started and does not have the an impact like the legacy rental car companies have. Peer-to-peer vehicle sharing is very different than rental car companies and should not be treated the same. The biggest difference is peer-to-peer car sharing companies do not own a fleet of vehicles. Individual residents of Alaska choose to make their car available through a platform. These hosts pay all associated costs for the maintenance of their vehicle but the platform does provide liability for when the vehicle is being shared. HB 90 attempts to treat peer-to-peer vehicle sharing as an equal to rental car companies, it simply is not.

If you are looking for uniform standards for peer-to-peer car sharing, IA would recommend you consider the model legislation from National Coalition of Insurance Legislators (NCOIL), which establishes safety and insurance standards for peer-to-peer car sharing. NCOIL included all stakeholders in the development of the language and was able to reach consensus. IA believes the NCOIL approach makes more sense to ensure Alaska has statewide standards.

IA believes HB 90 will have a negative impact on Alaska by making it difficult it not impossible for peer-to-peer vehicle sharing to occur. With tourism coming back, and rental cars scare, peer-to-peer car sharing will be an important part of accommodating tourist. It will also hurt the pocketbook of hosts who earn a little extra money from making their car available.

IA recommends the Finance Committee not move HB 90 forward. Thank you for your consideration.

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Rose Felicianos

Director, Northwest Region, State Government Affairs

C: 206.326.0712 rose@internetassociation.org\$

INTERNET ASSOCIATION\$ 1809 7th Ave, Suite 608, Seattle, WA 98101\$ From:Sorcha HazeltonSent:Thursday, May 13, 2021 11:45 AMTo:Helen PhillipsSubject:FW: House Bill 102-Terrible Timing for Alaska

She means HB 90, not HB 102.

Sorcha Hazelton

Staff to <u>Representative Kelly Merrick</u> House District 14 – Eagle River Capitol Room 511 Juneau, AK 99801 465-3777

From: Allison Long

Sent: Thursday, May 13, 2021 11:37 AM

To: Rep. Neal Foster <Rep.Neal.Foster@akleg.gov>; Rep. Kelly Merrick <Rep.Kelly.Merrick@akleg.gov>; Rep. Daniel Ortiz <Rep.Daniel.Ortiz@akleg.gov>; Rep. Adam Wool <Rep.Adam.Wool@akleg.gov>; Rep. Bryce Edgmon <Rep.Bryce.Edgmon@akleg.gov>; Rep. Andy Josephson <Rep.Andy.Josephson@akleg.gov>; Rep. Sara Rasmussen <Rep.Sara.Rasmussen@akleg.gov>; Rep. Steve Thompson <Rep.Steve.Thompson@akleg.gov>; Rep. Bart LeBon <Rep.Bart.Lebon@akleg.gov>; Rep. Ben Carpenter <Rep.Ben.Carpenter@akleg.gov>; Rep. DeLena Johnson <Rep.DeLena.Johnson@akleg.gov>

Subject: House Bill 102-Terrible Timing for Alaska

Good morning Alaska State Representatives,

I wanted to write to express my concern over the bill that is being reviewed today, House Bill 102.

My greatest concern is focused on current car rental markets and putting into practice something that will have a negative impact on tourism in our State. After working more than 10 years in the tourism industry, I believe I offer an experienced and relevant point of view:

Putting into practice house Bill 102 would create a tax on an industry that has already lost Billions of dollars in 2020 and is negatively impacted by the current cruise limitations.

Don't impose this tax at this time, or until rental car quantities and tourism has increased. There are few options for travel throughout our state and car/ride sharing is one of the only ways to get a car: just look up a car rental on any search platform for ANY DATE RANGE in FAIRBANKS: there are not any! I can understand that there is a desire to find alternative revenue streams for the state, and tax laws must change to ensure our state is innovative as business practices transform: but this is not the year.

Thank you for your attention to this bill and for understanding the significantly negative impacts on tourism in our state for this summer.

Respectfully,

Allison Long Fairbanks

From:	Samantha Kersul <skersul@technet.org></skersul@technet.org>
Sent:	Tuesday, May 11, 2021 1:26 PM
То:	House Finance
Subject:	HB 90 - TechNet Opposition
Attachments:	AK HB 90 - TechNet Opposition.pdf

Good afrernoon, Honorable Co-Chair Foster, Co-Chair Merrick, and Members of the House Finance Committee

I hope this email finds you well. I write on behalf of our membership to respectfully oppose HB 90, which attempts to treat peer to peer car sharing the same as rental car companies. Please find our letter outlining our concerns attached.

The COVID-19 pandemic has contributed to increasingly high costs and limited rental cars in Alaska, as well as across the country, leaving both tourists and individuals looking for a specific vehicle to suit their needs, effectively stranded. Peer to peer car sharing offers both consumers and Alaskans wishing to earn extra income something they need now more than ever: options.

TechNet believes this legislation would detrimentally impact small businesses, as well as discourage innovation and economic growth in Alaska. While proponents of the bill will suggest otherwise, peer to peer car sharing is distinctly different from a rental car operation. Our companies offer a convenient way to connect people wishing to utilize an internet platform to safely and securely share their car when their personal vehicle is not being used.

Importantly, our member companies have a tremendous amount of insight about the way the peer to peer car sharing industry operates and benefits individual Alaskans. We would welcome the opportunity to participate in a robust stakeholder process on this issue, as has been done in other states.

We appreciate your ongoing and thoughtful engagement on this bill. Please oppose HB 90.

Best,

Sam

Samantha Kersul Executive Director, Washington and the Northwest <u>TechNet</u>| The Voice of the Innovation Economy (c) 360.791.6407| <u>skersul@technet.org</u> Twitter: <u>@TechNetNW</u>

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May 10, 2021

The Honorable Neal Foster Co-Chair, House Finance Committee The Honorable Jennifer Merrick Co-Chair, House Finance Committee Alaska State Legislature 120 4th Street Juneau, AK 99801

Re: HB 90- Peer-to-Peer Car Sharing

Honorable Co-Chair Foster, Co-Chair Merrick, and Members of the House Finance Committee:

I write on behalf of our membership to respectfully oppose HB 90, which attempts to treat peer-to-peer car sharing the same as rental car companies. At a time when the high cost and limited availability of traditional rental cars has left individuals and tourists effectively stranded, peer-to-peer car sharing has offered both consumers and Alaskans wishing to earn extra income something they so desperately need: options. This legislation would detrimentally impact small businesses as well as discourage innovation and economic growth in Alaska. Peer-to-peer car sharing has become an incredibly convenient way of connecting people wishing to utilize an Internet platform to safely and securely share their car when their personal vehicle is not being used. Peer-to-peer car sharing is distinctly different from a rental car operation, and trying to legislate them under the same regulations would create unintended consequences for these businesses and for the state.

TechNet is the national, bipartisan network of technology companies that promotes the growth of the innovation economy by advocating a targeted policy agenda at the federal and 50 state level. TechNet's diverse membership includes dynamic American businesses ranging from startups to the most iconic companies on the planet and represents more than three and a half million employees in the fields of information technology, e-commerce, clean energy, gig and sharing economy, venture capital, and finance. TechNet is committed to advancing the public policies and private sector initiatives that make the U.S. the most innovative country in the world.

While we are not opposed to the regulation of taxation, the coronavirus pandemic has already impacted many small businesses that are struggling to survive. Taxing small businesses that provide a leased or rental vehicle or execute rentals through a vehicle rental network would create even greater financial strain.

It should also be recognized that peer-to-peer car sharing, and the sharing economy in general, is unique. It is imperative to look at the sharing economy separately and

distinctly from preexisting industries. The sharing economy is not trying to skirt paying revenue to the states in which they operate or avoid consumer protections. Instead, they are asking as a new technology to be considered as such and to think outside the box when it comes to finding legislative solutions.

Moreover, unlike other states who have regulated in this arena, Alaska has not convened any stakeholder groups for input on these bills. Thus, legislators have little information about this complex area. By forcing a new technology to conform to an outdated statutory structure created for a specific industry, HB 90 will only discourage the use of that technology. Instead, state legislators should be looking at ways to embrace innovation that would benefit residents and create a ripple effect on the entire state economy. Alaska should encourage a collaborative conversation and greater engagement with relevant parties on how to regulate new technologies in the future. Failing to do so will only discourage other technology companies from investing and locating in Alaska.

Thank you for your engagement on this issue. We strongly encourage you not to pass HB 90.

Best Regards,

Samantha Kersul Executive Director, Northwest TechNet <u>skersul@technet.org</u> 360-791-6407

TechNet Members:

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