



**SFMTA**  
Municipal  
Transportation  
Agency

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**May 16, 2017**

**The Honorable Steven Bradford  
California State Senate  
State Capitol, Room 2062  
Sacramento, CA 95814**

***Re: Oppose – SB 182 (Bradford) – TNC Business License Registration Requirements***

**Dear Senator Bradford:**

On behalf of the City and County of San Francisco, the San Francisco Municipal Transportation Agency (SFMTA) expresses our opposition to your bill, SB 182, as currently written, that would require drivers associated with transportation network companies (TNCs) to register for a local business license only in the jurisdiction where they currently reside.

We know that many TNC drivers, especially in the Bay Area, work across several jurisdictions, and do not necessarily live in the jurisdictions where they primarily operate. Analysis of TNC business registrations in San Francisco indicates that only approximately 25% of TNC drivers list addresses in San Francisco. Recent reports suggest that many TNC drivers drive long distances to work in San Francisco and that there are drivers who come from as far south as San Diego and as far north as Redding.

Registering for a business license in their home jurisdiction makes no sense when generally, most TNC drivers do not live where they work. TNC drivers are drawn to urban areas where there is high demand. Additionally, if passed, SB 182 will further impede a city's ability to understand the impacts of TNCs within their jurisdictions. The current business registration process, provides important consumer protection information about who is operating in the local jurisdiction, and resources to offset negative impacts. The proposed legislation would create an unenforceable registration system that would allow drivers to avoid registering in the jurisdictions which are most impacted by their operations.

Approximately 45,000 commercial TNC vehicles are operating on San Francisco's streets, creating an enormous impact on our local roads and infrastructure. The SFMTA estimates that the annual cost impact of TNC service on roadway maintenance alone is in the range of \$2.0M to \$4.5M annually. This estimate is based on the number of TNC drivers currently registered with the San Francisco Treasurer Tax Collector. Add in the additional cost of enforcement needed, environmental costs and time and fuel costs wasted due to congestion, and the total cost is much more.

Eliminating the ability of local jurisdictions to levy a business registration fee further hampers the local jurisdictions most impacted by TNC service, such as San Francisco. The SFMTA receives numerous complaints from residents and local business owners regarding increased congestion in both residential neighborhoods and commercial corridors. In addition, more cars on our streets create significant environmental impacts, including decreases in air quality.

As a public agency, safety is our top concern. Due to the nature of their on-demand services, TNC drivers frequently conduct illegal u-turns, double park, and block bicycle and bus lanes. Collectively, these actions obstruct the flow of traffic, and result in unsafe streets for pedestrians, bicyclists, transit operators, and other drivers.

The ability to regulate TNCs through the normal business licensing process, which requires local businesses to be licensed in the jurisdiction where they operate, is critical to understand the nature of TNC operations in our City. Business license fees collected would help offset maintenance required due to the additional wear and tear on our City's streets, and fund additional on-street law enforcement staff to maintain the safety of our streets.

Despite multiple requests, TNCs have been unwilling to share any data with the City, which would allow us to make more informed decisions about how to best mitigate the impacts of TNCs in San Francisco. However, in New York City, TNCs are regulated by the City and must provide certain data as a result. A study of their data concluded that TNCs accounted for an additional 600 million vehicle miles traveled over a three-year period, after accounting for declines in both yellow cab and personal vehicle mileage. This statistic provides insight as to how large the impact could potentially be within San Francisco.

Due to the increasing adverse impacts on the City's existing transportation infrastructure, we strongly believe that TNC drivers should register for local business licenses in the jurisdictions where they operate. For this reason, the SFMTA opposes SB 182.

**Sincerely,**



**Edward D. Reiskin**  
**Director**

cc: Senator Scott Weiner  
Assemblymember David Chiu  
Assemblymember Phil Ting  
Mayor Ed Lee  
Shaw/Yoder/Antwih, Inc.

