



June 4, 2021

Senator John Fonfara
Chair
Finance, Revenue and Bonding Committee
Connecticut General Assembly

Senator Will Haskell
Chair
Transportation Committee
Connecticut General Assembly

HB 6568 Hobbles Carsharing that Uses Vehicles More Efficiently and Puts Money in People's Pocketbooks

Dear Senator Fonfara and Senator Haskell:

As a center-left tech industry coalition, the Chamber of Progress urges the Senate **not to advance HB 6568**, a bill originally intended to promote responsible peer-to-peer car sharing -- but **which was amended in the House in a way that will ultimately discourage it.**

Our organization works to ensure that all Americans benefit from technological leaps, and that the tech industry operates responsibly and fairly. I am a longtime Democratic political aide, and our Advisory Board is composed of Democrats in government, civil society, and industry.

Our organization's commitment to a progressive society, economy, and workforce sets us apart from other business groups. For example, we strongly support legislation to protect voting rights; support President Biden's proposed corporate tax increase to fund infrastructure investments; and back a national emissions reduction target of 50% by 2030.

Our organization is also a strong proponent of peer-to-peer car sharing because of **its many environmental and economic benefits**. It encourages more efficient utilization of privately owned vehicles, which discourages unnecessary car ownership. It facilitates more livable cities, with less street space devoted to vehicle parking. It allows city residents short-term use of a vehicle for errands, making their lives easier. And it allows car owners to earn extra income by sharing their vehicle.

Peer to peer car sharing companies have agreed upon consensus model state legislation with the National Council of Insurance Legislators (NCOIL). **Unfortunately, the House amendment to HB 6568 diverged from this model by adding a daily surcharge to peer to peer bookings.**

This amendment would actually subject private car sharing to greater taxation than traditional rental car services, because the latter services currently benefit from a \$52 million sales tax loophole -- while vehicle owners paid sales tax when they purchased their vehicles.

	Current Law		HB 6568 As Amended	
	Daily Booking Surcharge?	Pay Sales Tax on Car Purchase?	Daily Booking Surcharge?	Pay Sales Tax on Car Purchase?
Traditional Rental Cars	Yes	No	Yes	No
Peer to Peer Carsharing	No	Yes	Yes	Yes

As a result, **this amendment helped the big rental companies like Enterprise but hurt your constituents who want to earn some extra money sharing their existing vehicles.**

Peer to peer car sharing companies worked responsibly with the insurance industry and rental car incumbents to agree upon the consensus model legislation, but the amendment to HB 6568 was an attempt to subvert that compromise.

As a result we **urge the Senate not to advance HB 6568 as amended,** and instead work collaboratively to embrace the original NCOIL model legislation.

Sincerely,

Adam Kovacevich
 CEO and Founder
 Chamber of Progress