



March 17, 2022

HB 2098 and HB 2099 Threaten Benefits of Peer-to-Peer Car Sharing in Pennsylvania

Representative Michael Peifer
Chair
Finance Committee
Pennsylvania House of Representatives

Representative Tina Pickett
Chair
Insurance Committee
Pennsylvania House of Representatives

Dear Chair Peifer, Chair Pickett, and members of the Finance and Insurance committees:

The Chamber of Progress encourages you to **oppose HB 2098 and HB 2099**, two bills that threaten the many benefits that peer to peer car sharing brings to Pennsylvanians.

Our organization works to ensure that all Americans benefit from technological leaps. We are 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, facilitates more livable cities, makes Pennsylvania a more equitable place to live, and allows car owners to earn extra income by renting out their vehicle.

Peer to peer car sharing encourages more efficient use of privately owned vehicles. It's been said that "parking is the single biggest land use in any city."¹ Studies show cars sit idle about 95% of the time nationwide, sitting in one spot, taking up prime real estate.² Peer to peer car sharing services puts privately-owned vehicles to more efficient use by repurposing underutilized cars and cutting down on the need for individual car ownership, garages, and storage.³

Peer to peer car sharing helps combat the food deserts. Residents in low-income and predominantly minority areas are often forced to travel far away to get to grocery stores only to bring home carryable items that fit in their handheld bags, or rely on corner stores with limited produce. Providing an option for affordable, convenient transportation gives Washington citizens that live outside food-rich areas the same convenient and affordable access to fresh fruits, vegetables, milk, or meat.

Peer to peer car sharing helps close transit gaps seen throughout the state. Many Pennsylvanians do not own cars and rely heavily on public transportation for day-to-day tasks. However, many still have to travel far and go to great lengths to access these resources. Peer to peer services allows residents to get access to personally owned shared vehicles in their local community, including

¹*Saving the world, one parking space at a time*, ITS International, (Dec. 2021) <https://www.itsinternational.com/feature/saving-world-one-parking-space-time#:~:text=Parking%20is%20actually%20the%20single.academics%20had%20taken%20it%20seriously>.

²David Z. Morris, *Today's Cars Are Parked 95% of the Time*, Fortune, (Dec. 2021) <https://fortune.com/2016/03/13/cars-parked-95-percent-of-time/>.

³ Melissa McMahon, Juliellen Sarver, and Sonali Soneji, *Why Should Local Governments Care About Carsharing?*, Mobility Lab, (Dec. 2021) <https://mobilitylab.org/2013/09/06/why-should-local-governments-care-about-carsharing/>.

vehicles made available by their neighbors, providing a reliable, easily accessible, and affordable means of transportation to get from one destination to another.

Peer to peer car sharing allows residents to earn extra income, helping Pennsylvanians recover from financial hardships caused by the Covid-19 pandemic. Many families have been hit hard and suffered from major financial loss during the pandemic. Since several federal assistance programs expired in September 2021, supplemental income is needed now more than ever.⁴ Peer to peer car sharing allows car owners to utilize the tools they have by renting out their vehicles to earn the money they need to survive.

Unfortunately, HB 2098 would threaten these many benefits by:

- Departing from the consensus model peer to peer legislation adopted by other states; and
- Hindering the ability of air travelers to Pennsylvania from utilizing peer to peer car sharing, by limiting car sharing platforms' ability to negotiate with state airports.

Similarly, HB 2099:

- Wrongly conflates peer to peer car sharing with traditional rental car companies, ignoring that nearly a dozen states have adopted laws defining them as separate industries;
- Applies to peer-to-peer car sharing the same daily rental fee that applies to fleet-based services like Zipcar, unfairly targeting local, short term rides through peer-to-peer services
- Limits Pennsylvanians' freedom to share their personally owned vehicles – on which sales taxes, vehicle registration, and titling fees have been paid; and
- Imposes new taxes of 2% and \$2 per day on peer to peer services, while simultaneously ignoring that the state of Pennsylvania loses \$145 million in tax revenue annually by exempting traditional rental car services from paying vehicle sales tax.

We encourage you to oppose HB 2098 and HB 2099 so that peer to peer car sharing services can continue to protect the environment, close transit gaps, combat food deserts, and offer Pennsylvania families the financial stability needed to recover post-pandemic.

Sincerely,



Adam Kovacevich
CEO and Founder
Chamber of Progress

⁴ *Expiration of Federal Unemployment and Pandemic Benefits*, Department of Labor, (Dec. 2021) <https://dol.ny.gov/fedexp>