



The Hon. Mike McGuire
California State Senate
Capitol Building, Room 5064
Sacramento, CA 95814

April 20, 2015

RE: SB 593 (McGuire) – OPPOSE

Dear Sen. McGuire,

We are writing on behalf of Consumer Watchdog to inform you that our nonprofit, nonpartisan public interest group must OPPOSE your SB 593 because it violates the fundamental privacy rights and expectations of Internet users.

SB 593 requires Internet home sharing platforms like Airbnb to turn over unprecedented amounts of personally identifiable Internet user data to hundreds of local governments around the state. This clearly would violate the privacy expectations of consumers who use these online communities. It is an unnecessary tool for local officials to accomplish their legitimate mission of enforcement.

Individuals that give corporations private data for the purpose of commercial exchanges have a reasonable expectation of privacy, that it will not be turned over to government entities that demand it without a compelling state purpose – typically for public and health safety, or a terrorism threat. SB 593 compels a private corporation to provide to any local government that asks for it private information citizens had a reasonable expectation would remain part of a private commercial transaction.

Hotels are not compelled by state law to turn over to municipalities the guest register of every guest at every hotel, motel or inn and how much they paid. Airlines are not required to turn over all their passenger information and the price they charged to fly to local airports. Amazon is not required to turn over to cities and counties all the goods and services it sold specific residents and the prices they charged.

It's hard to think of a corporation ever being required to turn over massive amounts of personal identifiable information of citizens' commercial transaction to a local government entity, or any government entity for that matter. Each request for a specific piece of personally identifiable data is typically seen through the lens of a specific instance where the right to privacy is carefully balanced against the right to safety and security for the public at large. Judicial officers typically need to issue warrants for such information because it is considered each citizen's right to protect it.

The right to privacy in California is enshrined in Article I Section I of the California Constitution as an inalienable right. Given the furor in many cities and towns over home sharing, SB 593 proposes to turn over to local officials personal commercial transactions between individuals that would expose the citizens involved to being a targeted for their private

commercial exchanges in a way that threatens their other constitutional rights, such the right to the safety of their property and pursuit of happiness in their communities. This is why privacy is considered “an inalienable right” in California. The presumption is that there has to be a very compelling reason for the government to intrude it upon it.

Ensuring appropriate taxation, or appropriate zoning permits, does not require California citizens to relinquish their right to privacy. Smart regulations in this developing market make sense and we would support them. Unfortunately SB 593 is not such a law. Rather, it is a heavy-handed approach that would have negative consequences for Internet commerce and for consumers.

Users of home sharing platforms rightfully do not expect that Internet companies without sufficient legal justification, such as a warrant, will summarily turn over their online data to law enforcement officials. This blunt approach to enforcement is a slippery slope.

Should e-commerce sites be required to constantly turn over all purchase and sales data on each of its users to the government just so that enforcement officials can scour through records in search of potential violations of local laws? Such an approach amounts to a blank search warrant and, unfortunately, SB 593 opens the door to establishing such inappropriate government powers.

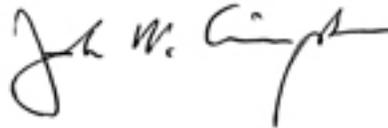
Government should not rely on corporations for surveillance of their communities to see whether laws are broken. SB 593 would turn home sharing platforms into quasi-enforcement arms of local government agencies by requiring these sites to not facilitate any listing that would otherwise be prohibited by local ordinance and to cut off users who are allegedly in violation of local laws or face severe financial penalties. Given the way regulations vary from jurisdiction to jurisdiction, this would be a virtually impossible task to accomplish. Local governments should enforce their regulations when there are demonstrated violations, such as violations of zoning laws. Governments must not engage in massive fishing expeditions and mine home sharing platforms’ customer data based on the possibility that some ordinance is might be violated.

SB 593 violates consumers’ legitimate expectation of privacy. It imposes data sharing mandates and unreasonable local law enforcement duties on innovative Internet companies. Consumer Watchdog must respectfully OPPOSE your SB 593.

Sincerely,



Jamie Court
President



John M. Simpson
Privacy Project Director

Cc: Randy Chinn, Chief Consultant, Senate Transportation and Housing Committee,
Alexandra Salgado, Consultant, Senate Republican Caucus.