



GAVIN NEWSOM
LIEUTENANT GOVERNOR

June 26, 2014

Office of the President
University of California
1111 Franklin Street, 12th Floor
Oakland, CA 94607

Dear President Napolitano,

I was troubled by recent media reports indicating that the University of California has prohibited its employees from using services such as Airbnb, Uber and Lyft when traveling on official business. This decision is bad for California taxpayers and at odds with the University's long and proud tradition of nurturing innovative technologies that have powered our economy.

Sharing economy companies offer consumers more choices at often less cost than comparable services offered by traditional vendors. As the cost of a college education continues to increase and academic departments are asked to do more with less, we should be encouraging U.C. employees to choose options that save money for taxpayers. Prohibiting U.C. employees from using services that cost less is simply bad for the University's bottom line.

This decision also sends an unfortunate message to U.C. students, faculty and countless Californians who are striving to create the next generation of innovative businesses and technologies. For decades, the University of California has encouraged its students and faculty to explore new ideas and challenge the status quo. This should be more than an academic concept. A University that is focused on the future and committed to fostering new technologies should not work against innovators and entrepreneurs.

I understand some consumers may have questions or concerns about the services these companies provide or prefer to use traditional vendors. They should be free to do so. Additionally, there are legitimate regulatory questions that policymakers and regulators must address as the sharing economy continues to grow.

But sharing economy services are a growing part of our economy and the University's decision to permanently prohibit its employees from choosing low-cost travel and transportation options is shortsighted and unnecessary. I care deeply about our University and look forward to working with you and our colleagues on the Board of Regents as we work to strengthen the University for future generations of Californians.

Sincerely,

A handwritten signature in black ink, appearing to read "Gavin Newsom", written over a horizontal line.

Gavin Newsom
Lieutenant Governor