**FreedomWorks Fact Sheet on Mobile App Regulation**

**Innovative Apps in the Sharing Economy**

* **Mobile app technology has created a flourishing new market, known as “the sharing economy,” encompassing a wide variety of services, such as Uber, Lyft, and Airbnb.**
* **Uber and Lyft are services that provide fast, inexpensive transportation you can call from your phone.**
* **Airbnb allows users to rent houses and apartments from individuals while traveling.**

**Why These Services are Important**

* **The mobile app market has been estimated to contribute between $20 billion and $53 billion to the economy each year.[[1]](#footnote-1)**
* **In addition to the convenience of summoning cars directly from a smartphone, Uber is cheaper than most taxis, making the service a boon to consumers.[[2]](#footnote-2)**
* **According to Airbnb, guests using their service stay longer and spend more, benefitting the local economy and helping hosts earn enough to pay for their homes.[[3]](#footnote-3)**
* **These services make it easier for individuals to earn income without having to go through big companies.**

**Regulatory Opposition**

* **State governments are trying to crack down on these services with new, unnecessary regulations.**
* **Uber and Lyft were the subject of a cease and desist letter in Virginia, which was subsequently lifted after a public outcry.**
* **Airbnb was served with a subpoena from the New York Attorney General over alleged violations of hotel regulations.**
* **The government in North Carolina is now talking about enacting new regulations to stifle these businesses, as they enter new markets.**

**The Bottom Line**

**Mobile apps are providing services that benefit consumers, workers, and communities. Don’t let regulators drive them out of business in order to protect favored monopolies.**

1. <http://www.portioresearch.com/en/major-reports/current-portfolio/mobile-applications-futures-2013-2017.aspx> and

 http://www.visionmobile.com/blog/2013/07/developer-economics-app-market-forecasts-2013-2016/ [↑](#footnote-ref-1)
2. http://online.wsj.com/news/articles/SB10001424052702304250204579433113467536876 [↑](#footnote-ref-2)
3. https://www.airbnb.com/economic-impact/ [↑](#footnote-ref-3)