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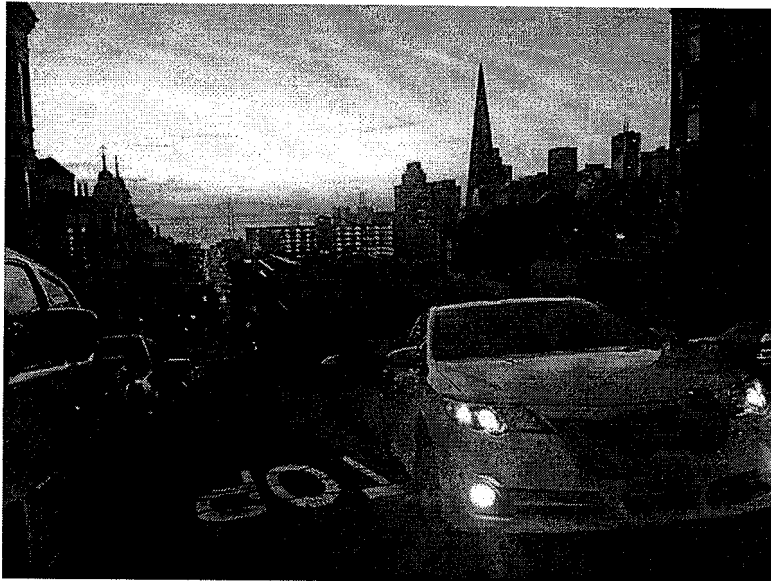


Austin

10:40 AM FRI OCTOBER 17, 2014

# Austin Legalizes Ridesharing Services

By LUCIA BENAVIDES (@PEOPLE/LUCIA-BENAVIDES)



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So-called transportation networking companies are now legal in Austin.

*Wikimedia Commons*

Ridesharing services like Uber and Lyft can now legally operate in Austin.

The Austin City Council passed an ordinance Thursday establishing rules for the so-called transportation network companies (TNCs), and the city will negotiate contracts with the companies to address major issues that arose during the debate on Council Member Chris Riley's ordinance, including insurance for drivers, surge pricing and increasing TNC service to Austin's disabled community.

The temporary ordinance goes into effect in at least 10 days, but will be superseded once the council adopts longer-term recommendations from the City's TNC Working Group, which is scheduled to report (<http://www.austintexas.gov/edims/document.cfm?id=210414>) to the council within the next month or so.

"A benefit of putting this ordinance in place is that we will give it a fair test, and as we do that, we will for the first time actually be collecting data," said Council Member Chris Riley, who sponsored the ordinance.

The vote means the City will now be able to analyze how TNC's fit into the larger transportation system, and how they can benefit Austin's residents. Some say there are currently not enough taxis to meet consumer demand.

Supporters of the ordinance believe this is an opportunity for Austin to have more transportation options available to the public, especially when it comes to tackling the issue of drunk driving.

"Safety is our number one concern, and TNC's can help offer more designated driver options," said Mothers Against Drunk Driving Sate Directed Jaime Gutierrez in a written statement. "If we can prevent one more family from suffering from a drunk driving tragedy, then this TNC ordinance will have made an important difference."

A campus-wide survey done by the University of Texas Student Government showed overwhelming support for ridesharing services.

However, the ordinance has drawn plenty of opposition from traditional cab services.

Ed Kargo of Yellow Cab Austin argues Uber and Lyft's drivers aren't as closely regulated as traditional drivers. Kargo said in public testimony before the council last month that the ordinance gives TNCs unrestricted price flexibility and doesn't limit the number of drivers, as opposed to the capped number of cab drivers allowed in Austin. Cab providers also rail against the services' ability to charge surge pricing during peak hours.

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