

140297K

[\(http://www.virginia.gov/\)](http://www.virginia.gov/)

For Immediate Release: August 6, 2014

Contacts: Office of the Governor: Brian Coy Title: Press Secretary Email: Brian.Coy@governor.virginia.gov |

Office of the Attorney General: Michael Kelly Title: Communications Director Email: mkelly@oag.state.va.us

Virginia Reaches Temporary Agreement to Allow Safe, Regulated Operation of Uber and Lyft

~Transportation network companies to come into compliance with Virginia law~

RICHMOND (August 06, 2014) – Governor Terry McAuliffe and Attorney General Mark R. Herring announced today that the Commonwealth of Virginia has reached an agreement with transportation network companies Uber and Lyft that will help ensure the safety of passengers, bring the companies into compliance with Virginia law, provide transparency into their operations, and promote a level playing field for transportation providers. This temporary legal framework, one of the first of its kind in the nation, is the result of extensive discussions between the companies, the Virginia Department of Motor Vehicles, the McAuliffe administration, and Attorney General Herring's office following the issuance of "cease and desist" letters to the companies on June 5.

"In order for Virginia to remain economically competitive, it is important that we welcome innovative companies like Uber and Lyft and provide them with the resources they need to safely and effectively operate in the Commonwealth," said Governor McAuliffe. "Technology – specifically related to smart phones – continues to advance at a rapid pace, and I am pleased that we were able to work together to find a swift solution that will provide Virginia's workers, students, and families with more transportation options."

"I knew there had to be a better way to ensure the safety of Virginia passengers," said Attorney General Herring. "These companies offer services that Virginians want, but it just wasn't acceptable for them to operate without complying with regulations or other measures to help ensure the safety of passengers and motorists. I'm proud that we were able to get folks back to the table and get them talking again, and now we've shown that Virginia can be responsive to innovative businesses while promoting public safety and the rule of law. Because of this

cooperation, Virginians are going to have more transportation options that are safer, more transparent, and appropriately regulated. I hope other states will look to Virginia as a model for how to safely integrate the so-called sharing economy."

"Thanks to the leadership of Governor McAuliffe and Attorney General Herring for putting consumers first and embracing innovation, choice and opportunity," said Justin Kintz, public policy, Uber Technologies, Inc. "We look forward to continuing to work together to create a permanent home for ridesharing, providing residents and visitors with safe, reliable transportation options."

"Today's agreement allows Lyft to continue providing safe rides and economic opportunity to Virginians as we work with state leaders to secure a permanent future for ridesharing, said Dave Estrada, VP of Government Relations for Lyft. "Virginia has led the way in embracing innovative industries and we applaud Governor McAuliffe and Attorney General Herring for their thoughtful work to reach an agreement that maintains the highest level of public safety while expanding consumer choice. In addition to our involvement in DMV's ongoing study on Transportation Network Companies, we look forward to helping craft new rules for peer-to-peer transportation that increase access to safe, affordable and convenient rides for all Virginia residents."

The Department of Motor Vehicles has informed Uber and Lyft that their applications for transportation broker's licenses and temporary operating authority have been granted, effective immediately, they meet an extensive set of regulations to promote passenger safety, have appropriate insurance, and comply with Virginia law. If at any point either company fails to comply with these terms, DMV can revoke the temporary operating authority.

These conditions include:

- Extensive background checks of drivers, with immediate disqualifiers including convictions for any felony, fraud, sexual offenses, or violent crimes, or registration as a sex offender.
- A review of driving history, with disqualification for drivers convicted of three or more moving violations in the last three years, DUI, underage drinking, refusal to submit to a breathalyzer, hit and run, or eluding law-enforcement, or a revocation of a driver's license.
- Zero tolerance for the use of drugs or alcohol by any drivers, and a suspension pending investigation of any driver accused of violating the zero tolerance policy.
- Only employing drivers who are properly licensed and over 21, and vehicles that carry a maximum of seven passengers and are properly registered and inspected for safety and emissions, where applicable.
- Rigorous insurance requirements, including requiring drivers to maintain automobile liability insurance, maintaining on behalf of all drivers an additional \$1,000,000 of coverage from the moment a driver accepts a trip request until the passenger leaves the vehicle, and liability insurance for drivers who are logged onto the companies' software but not

providing services.

- Maintaining documentation for each driver of his or her background check, sex offender registry check, driving record, proof of insurance, valid driver's license, Social Security number, vehicle registration, and proof of vehicle safety inspection. Documentation must be available to DMV on demand to investigate any complaints, and must be available for periodic audits to ensure compliance.
- Paying any previously assessed civil penalties for non-compliance and dropping any appeals, which both companies have already done.
- Features to help customers identify their driver and vehicle, including from the outside of the vehicle.
- Drivers notifying the companies of any change in their license status, vehicle registration, insurance, or any arrest for a crime that would disqualify them from being a driver.
- Rate transparency and documentation.
- Companies advising drivers of their need to comply with applicable tax laws.
- Only accepting rides booked through the companies' mobile device apps, not street hails.
- Companies maintaining a Virginia transportation broker's license.

Virginia DMV is currently leading a study at the request of the General Assembly to developing a long-term legislative solution that addresses services provided by Uber, Lyft, and similar companies, while also ensuring a level playing field for taxicabs and all other passenger transportation services. The study is scheduled to be completed in time for the 2015 legislative session. This temporary authority agreement can serve as a foundation for potential legislation and will also provide valuable data on the operations of these companies as legislation is crafted.

###

Navigation

- [About The Governor \(/about-the-governor/\)](#)
- [The Administration \(/the-administration/\)](#)
- [Constituent Services \(/constituent-services/\)](#)
- [Policy Priorities \(/policy-priorities/\)](#)
- [Newsroom \(/newsroom/\)](#)
- [Executive Actions \(/executive-actions/\)](#)
- [Integrity Commission \(/integrity-commission/\)](#)

At Your Service

- [ConnectVA \(https://www.connectva.org\)](https://www.connectva.org)
- [eVA website \(https://logi.epro.cgipdc.com/Public/rdPage.aspx?rdReport=Public.PublicLandingPage&rdRnd=60061\)](https://logi.epro.cgipdc.com/Public/rdPage.aspx?rdReport=Public.PublicLandingPage&rdRnd=60061)
- [Expenditures \(http://datapoint.apa.virginia.gov/exp/exp_checkbook_agency.cfm?AGYCODE=121\)](http://datapoint.apa.virginia.gov/exp/exp_checkbook_agency.cfm?AGYCODE=121)
- [State Agencies \(http://www.agencydirectory.virginia.gov/\)](http://www.agencydirectory.virginia.gov/)
- [Cities & Counties \(http://www.virginia.org/citiestownsandcountiesrelatedlinks/\)](http://www.virginia.org/citiestownsandcountiesrelatedlinks/)
- [Elected Officials \(http://www.virginia.gov/government\)](http://www.virginia.gov/government)

Site Resources

- [Website Feedback \(https://governor.virginia.gov/email-the-webmaster/\)](https://governor.virginia.gov/email-the-webmaster/)
- [Web Privacy Policy \(/web-policy\)](#)
- [Accessibility \(http://www.w3.org/WAI/WCAG1A-Conformance\)](http://www.w3.org/WAI/WCAG1A-Conformance)
- [Site Map \(/site-map/\)](#)

Stay Connected

- [Email the Governor \(https://governor.virginia.gov/constituent-services/Communicating-with-the-governors-office\)](https://governor.virginia.gov/constituent-services/Communicating-with-the-governors-office)
- [Mailing Address](#)
P.O. Box 1475

Richmond, VA 23218
804-786-2211