

U B E R

April 3, 2015

Mayor Piercy and Councilmembers:

Since our launch in July 2014, Uber has been proud to connect thousands in Eugene to tens of thousands of safe, reliable rides as we have attempted to work with the city to craft new regulations that recognize the unique nature of ridesharing and put consumer choice and safety first.

In February, when the city council voted to apply the same requirements to technology companies that exist for public passenger vehicle companies, the city decided to knowingly pursue an unworkable and outdated regulatory framework that would make it impossible for Uber to operate in the city-- as well as prohibit other technologies companies operating in the transportation space from providing new services to Eugene. Rather than crafting rules that recognize ridesharing is unique, as almost 30 jurisdictions across the United States have done, the city is trying to fit a square peg in a round hole, with no desire to smartly regulate a new industry.

Today we find ourselves at an impasse. Following the ordinance change, the city proceeded to explore temporary rules to govern Transportation Network Companies (TNCs) as they looked to create longer term regulations to govern this new industry. After weeks of negotiations with city staff on the interpretation of the code change, it is clear that at this point in time the city is not interested in embracing new innovation and is instead forcing Uber from the city.

Unworkable and onerous regulations being proposed by the city leave Uber no other choice than to suspend operations in Eugene for the foreseeable future, until the city updates its code to permit ridesharing.

The requirements that the city has proposed make it clear that there is a lack of understanding about how TNCs work. Furthermore, the safety goals sought by the city are already being met through our business model. In fact, we welcome regulations that complement and enhance it, having embraced regulatory frameworks approved by about 30 jurisdictions across the United States. In addition, we are not closing the door on future conversations or concessions that will help find common ground.

The city is:

- **Requiring \$1.3 million of commercial auto-liability coverage during time periods that are defined as personal use, a concept that even the insurance industry is opposed to.**

TNCs currently carry insurance that protects public safety. Uber's ridesharing insurance coverage provides end-to-end insurance coverage for partner drivers, riders and third-parties at all times during their use of the Uber smartphone application.

Uber was willing to voluntarily offer the following insurance protection:

- \$1.3MM in primary automobile liability coverage from the moment a driver accepts a ride request, is en route to pick up a requesting passenger and at all times a requesting passenger is in the car. This is what is required of other commercial vehicles in the city.
- Liability coverage of \$50,000 for bodily injury per person up to \$100,000 per incident when the app is on and a ride has not even been accepted, a noncommercial time period. **This is double the amount of coverage required for all motor vehicles under Oregon law.**

This combination of coverage ensures that there is no gap and has been supported by insurance companies and trade associations across the country. Despite this, the city of Eugene was unwilling to accept this model.

- **Requiring drivers who partner with Uber to undergo an additional city background check that is timely, costly, and adds no safety benefit.**

All drivers are subject to robust background checks, which includes county, federal, multi-state and sex offender database checks. These checks go back seven years, more than what is currently required for taxi or limo drivers in the city and the maximum allowable by the Fair Credit Reporting Act. TNCs also check against the national sex offender database and perform a driving record check before allowing any driver to partner with Uber. Our policies on background checks are robust and transparent. In fact, we believe the city's current background check process poses serious safety risks to the community, as it only requires a taxi driver pass a background check once in his or her lifetime.

- **Requiring drivers to undergo a city "inspection" so a city staffer can see if seatbelts work and whether the driver has a fire extinguisher.**

Uber requires all vehicles on the platform to have four doors, be 2005 or newer, not

have a salvaged title and go through a 19-point vehicle inspection. The Uber app has a built-in real time feedback process so riders and drivers can share information or issues about the ride and Uber can respond immediately. Uber requires that vehicles are inspected by a mechanic rather than relying on a city employee with no auto training to determine safety.

Perhaps just as important as all the above, Uber is helping to improve lives and communities across the world. TNCs have become part of everyday life in Eugene and are being used by people in over 300 cities worldwide. The availability of affordable transportation has transformed the way people move around their cities, from the vision-impaired to those who can't afford the cost of owning a vehicle. The freedom and flexibility of partnering with the Uber platform also provides individuals new opportunities to earn or supplement their income so they can pay their bills and put food on the table.

Ridesharing is also enhancing the communities where it exists. According to a recent study conducted in partnership with Mothers Against Drunk Driving, or MADD, ridesharing services like Uber are empowering people to make smarter choices that keep people safer and even save lives.

While we are suspending operations in Eugene effective Sunday, April 5 at 10 AM, we still believe the future is bright for ridesharing in the city. That is why we originally made the decision to launch in Eugene, and we hope you will be able to come to the table to allow innovative ridesharing services like Uber to thrive in your community.

Sincerely,

Brooke Steger
General Manager, Uber