

Iowa lawmakers consider regulating ride-sharing services Uber, Lyft

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A bill to regulate internet-based ride-sharing services like Uber and Lyft is under consideration at the statehouse.

Uber drivers have been operating in the metro areas of Des Moines, Cedar Rapids and Council Bluffs — using their own cars and ferrying passengers who request a ride using a smart phone app. The City of Des Moines just passed an ordinance to regulate Uber drivers. Pooneet Kant, Uber's general manager, is pressing legislators for statewide rules.

"We just think that having a uniform standard makes more sense," Kant said after a senate subcommittee meeting this week.

The Iowa Department of Transportation is "officially undecided" on the bill, but Mark Lowe, director of the agency's motor vehicle division, told senators a "statewide" approach is probably best.

"If you look at the nature of the business model, it's not going to be confined to a specific city geographic boundary," Lowe said.

And Lowe said ride-sharing services like Uber and Lyft eventually may offer new mobility to residents in areas of Iowa where taxis and bus service aren't readily available.

Six states already have passed laws creating uniform, statewide regulations for ride-sharing companies and Iowa is among more than three dozen states which are contemplating such a move this year. The bill that is ready for debate in the Senate Transportation Committee would require background checks for Uber and Lyft drivers. It also would set a minimum level of insurance the drivers must get to cover their riders and other vehicles if they're involved in an accident. But Doug Struyk, a lobbyist for Wells Fargo, said banks that hold the notes for car loans wouldn't be protected if a Uber or Lyft driver totals his or her car while carrying a passenger.

"Ultimately that leaves a driver who is upside down on a note or a judgement-proof debtor, which is not a good position for our financial institutions to be in," Struyk told senators.

The state's largest airports are pressing senators to let airports charge Uber drivers a fee for carrying passengers to the airport — the same fee taxis, limos and shuttle buses pay for serving airline passengers. Frank Chiodo, a lobbyist for the Des Moines Airport, said it's a fairness issue.

"Making sure that all commercial vehicles that operate and provide services at our facility are treated the same," Chiodo said.

Jim Obradovich, a lobbyist for the Iowa Public Airports Association, said his group agrees.

"This is an issue that's not just Des Moines," Obradovich said. "It's the Eastern Iowa Airport (in Cedar Rapids). It's Dubuque and we are looking to get that airport-specific fix."

Uber, in German, means over or above. The word uber is frequently used in texting or online to describe something that is the best or the ultimate experience.

Uber — the ride-sharing service — started in San Francisco in July of 2010. Uber and Lyft drivers can now be found in cities around the globe. Yesterday, a court in Paris declined to uphold a ban on Uber in France.

Courts in Spain and the Netherlands have ruled against Uber, though, and sided with critics who contend it is unfair competition with traditional taxi services that employ professional drivers. Uber has lowered its prices in Germany to comply with a ride-sharing law in that country.

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