

Beat: News

Uber return customers \$ 28.5 million.

Uber taxi

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USPA NEWS - Uber taxi will pay \$ 28.5 million to settle claims of customers in the US who complained about the fees they are charged \$ 1 for the safety of the trip.

Uber said in a statement it will now call the charge a "booking fee" to resolve class-action lawsuits on behalf of riders in several states.

The accord couldn't be immediately verified in court records.

Uber is still fighting allegations by California prosecutors that it gives the public false assurances that its rides are safe.

Uber introduced the "safe rides fee" in April 2014 to cover costs such as background checks, insurance and vehicle checks. The fee started at \$1 per trip, but the company has raised it to as much as \$2.50 in some cities.

The \$28.5 million settlement will be split evenly among about 25 million riders after attorneys' fees, according to the statement. Uber has raised more than \$10 billion in funding.

The accord means that the district attorneys of San Francisco and Los Angeles who sued the company in 2014 may not be able to seek restitution for riders, but they can still pursue penalties, said Alex Bastian, a spokesman for the San Francisco prosecutor.

"Punishment and Deterrence"

"The civil enforcement action is still ongoing," he said. "There are laws to protect consumers, and any time a company deviates from those laws, they need to be punished and they need to be deterred."

Bastian also said the office will "take a hard look" at whether \$28.5 million in restitution is sufficient.

Ted Maya, a lawyer representing riders who sued over the "safe rides fee" in San Francisco federal court, didn't immediately respond to a phone call seeking comment on the settlement.

The company declined to say whether it conferred with the California prosecutors about the settlement.

The prosecutors alleged in their December 2014 complaint in state court that the company touted driver screening that went beyond local requirements to justify the safety fee, when in fact taxi drivers by law undergo more comprehensive background checks that include fingerprinting. In a revised complaint in August, the district attorneys said Uber's checks on drivers failed to prevent it from hiring registered sex offenders, identity thieves, burglars, a kidnapper and a convicted murderer.

Lyft Inc. resolved claims by the California prosecutors in 2014 over the language it used to describe the safety of its services and agreed to pay \$500,000 as part of a settlement.

The case is *Philliben v. Uber Technologies Inc.*, 3:14-cv-05615, U.S. District Court, Northern District of California (San Francisco). The prosecutors' case is *California v. Uber Technologies Inc.*, CGC-14-543120, California Superior Court, San Francisco County.

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