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October 18, 2013

VIA ELECTRONIC FILING

David J. Collins
Executive Secretary
Public Service Commission of Maryland
William Donald Schaefer Tower
6 St. Paul Street
Baltimore, MD 21202-6806

Re: "Lyft" Operations in Baltimore

Dear Mr. Collins:

This letter is written on behalf of Yellow Transportation¹ regarding "Lyft" ridesharing service, the latest smartphone-related entrant into the Baltimore transportation industry. According to the attached article and Lyft's website, the service launched in Baltimore yesterday (October 17, 2013). *See*, Baltimore Sun Article (Oct. 14, 2013).

Lyft offers to match up prospective riders with nearby drivers. Even more troubling than other illegal transportation Apps, however, Lyft takes the model one step further and operates using private individuals --not professional drivers-- to provide transportation on demand. Lyft's website explains:

You must be at least 23 years old and have your own car (2000 or newer) in good working condition. You must own an iPhone or Android in order to use the Lyft mobile app. We're looking for friendly, community-oriented drivers who love meeting new people. In order to be approved, you must pass a phone screen, an in-person meeting and background & DMV record checks.

Once hired, drivers are matched with passengers requesting rides through the App. Lyft vehicles are marked with large, fluffy pink mustaches. At the end of the ride passengers are

¹ Yellow holds Baltimore City and County taxicab permits through the Yellow Cab, Yellow Taxi, Checker and Sun Associations.

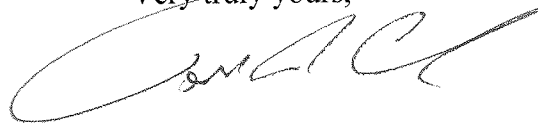
prompted to “donate” an amount based on time and distance. At the end of the week Lyft deposits 80% of the payments received into the driver’s account.

Based on this information, Lyft is managing and controlling a transportation service in Maryland pursuant to Public Utility Article §10-101(f)(1), which defines “operate a motor vehicle for hire” as “to transport a person in a motor vehicle in exchange for remuneration.” Lyft’s operation as an unregulated taxicab service raises several serious safety concerns. Lyft’s driver screening process does not satisfy the Commission’s standards for transportation providers, putting riders at risk; vehicles are not regularly inspected to ensure driver and rider safety; nor are vehicles equipped with safety equipment such as protective shields. Moreover, it is also unclear whether adequate insurance coverage exists for accidents. The attached claim denial from Geico suggests that individual policies do provide coverage for what is effectively a commercial use. *See*, August 13, 2013 Geico letter.

As was the case with Uber, Baltimore is not the first jurisdiction where Lyft has attempted to operate. Many other jurisdictions are faced with trying to regulate Lyft, which like Uber maintains it is simply an information technology company that is beyond the Commission’s jurisdiction. Attached is a memorandum from the Austin, Texas Transportation Department based on its review of Ridesharing in that City.

Lyft’s business model amounts to little more than hitchhiking for a fee, and should greatly concern the Commission. Yellow respectfully requests that the Commission: (1) docket this issue for an upcoming Administrative Meeting; and (2) order that Lyft cease-and-desist operating in Maryland pending satisfaction of all regulatory requirements.

Very truly yours,



Todd R. Chason

cc: Dwight Kines, Yellow Transportation