



Uber Squares Off against South Florida Regulators

Broward County Moves to Apply Existing Taxi Law to Ride-Sharing App

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Regulators in the state of Florida have their sights set on the popular ride-sharing app Uber. On Tuesday, February 10, commissioners in Broward County, home to Fort Lauderdale, will vote on amended taxi regulations that explicitly address Uber and other similar services.

The county has previously issued 250 citations and collected US\$35,000 in fines from various Uber drivers for not complying with local transportation and licensing regulations. Several drivers were fined for picking up or dropping off passengers at the Fort Lauderdale International Airport, which requires special permits.

Yet unregulated throughout most of the United States, Uber allows users to connect with drivers via a smartphone app, and often at lower fares than traditional taxi services. “We must put pieces in place that protect us as an organization,” said Broward County Commissioner Lois Wexler, in defense of the taxi industry. “If negotiations do not go as directed and as we planned, then we will have a remedy called the courts.”

Throughout the country, Uber faces opposition and protests from taxi drivers and unions who consider the ride-sharing service unfair, and claim it compromises passenger safety.

Kasra Moshkani, Uber’s South Florida representative, said the company is so different from traditional taxi services that it needs to be regulated by new laws. For the time being, the company will continue to offer their service outside of the law governing taxis.

Broward County officials, however, say their regulations will aim to ensure passenger safety and require Uber to pay the same licensing fees as traditional taxi companies.

Uber launched in San Francisco in 2009 and now operates in over 200 cities worldwide. The company is currently valued at over \$42 billion.

In terms of benefits for the driver, Uber offers them 80 percent of the fare, while the company takes in 20 percent. Uber also offers a carpool service to customers who are traveling to the same destination.

Deregulation Solution

Matthew Feeny, a policy analyst at the Cato Institute, said that although Uber is criticized for jeopardizing passenger safety, the service actually helps mitigate potential violent crime because of its reliance on cash-free transactions.

With regard to the current position of traditional taxi drivers, Feeny says they have a valid point when complaining they are forced to compete on an uneven playing field. “But the appropriate response to this problem is to rationalize and modernize the outdated and heavy-handed restrictions on taxis — not to extend those restrictions to ridesharing,” he said.

Who Benefits?

For his part, Randy Schultz, the former editor of the *Palm Beach Post* and blogger with the magazine *Boca Ratón*, has come out in favor of regulation and says Uber has a “lousy attitude.”

“Uber, though, is about making a service cheaper for some people — younger, more affluent, smartphone-savvy — while making it harder for people with less education — taxi drivers — to make a living. Most Uber drivers are in it to supplement their incomes. Oh, and Uber is about making a lot of money for Uber and its investors, which include Google and Goldman Sachs,” Schultz concludes.