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JUL 09 2014

City of Madison
Wisconsin

July 8, 2014

Sent via Fedex and e-mail

Michael P. May
City Attorney
210 Martin Luther King, Jr. Blvd.
Madison, Wisconsin 53703-3345

Dear Mr. May,

We write in response to your letter regarding the status of Lyft on July 1, 2014.

The business model of Lyft, Inc. (the "Company" or "Lyft") is an entirely new and innovative concept to facilitate ridesharing arrangements. Lyft uses a peer-to-peer platform that makes ridesharing transportation more accessible and safer than ever before by matching individuals in real time, and by incorporating new safety mechanisms that historically have not existed in traditional ridesharing arrangements.

Rather than a transportation service, the model used by Lyft is more accurately categorized as a ride-sharing network. Lyft provides an online transportation networking platform for connecting people to facilitate ridesharing. Lyft owns no vehicles, employs no drivers, and does not transport anyone. Because of the nature of Lyft's business model, we do not believe that we are the type of business contemplated when Chapter 11 of the Madison General Ordinances (MGO) was adopted, nor do we believe that we are within the scope of existing MGO provisions.

While Lyft and the City Attorney's Office may disagree about the MGO's potential application to participating drivers, we agree it is in the interest of both parties and the citizens of Madison to create and implement a regulatory framework that clarifies the issue. We recognize and appreciate your goal of assuring the safe operation of all vehicles transporting passengers and we wish to assure you that the safety of Madison citizens is our paramount concern as well. Therefore, during the interim period while the regulatory framework is being formulated, Lyft commits to the following:

- Lyft shall maintain a website that provides a customer service telephone number or email address.
- The Lyft app shall display for the passenger a picture of the ride-sharing operator and a picture of the ride-sharing vehicle, including the license plate number to identify the vehicle.



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- Upon completion of a trip, Lyft shall transmit an electronic receipt to the passenger's email address or mobile application documenting the origination and destination of the trip and a description of the total amount paid, if any.
- Lyft and its affiliated operators will accept only rides booked through a ride-sharing network's digital platform and shall not solicit or accept street-hails.
- Lyft shall ensure that all drivers complete our driver-training program.
- Lyft shall implement a zero tolerance policy on the use of drugs or alcohol while a ride-sharing operator provides ride-sharing services, provide notice of the zero tolerance policy on its website, as well as the procedures to report a complaint about a ride-sharing operator with whom the rider was matched and for whom the rider reasonably suspects was under the influence of drugs or alcohol during the course of the ride, and immediately suspend a ride-sharing operator upon receipt of a passenger complaint alleging a violation of the zero tolerance policy. The suspension shall last the duration of the investigation.
- Prior to permitting a person to act as a ride-sharing operator on the Lyft network, Lyft shall obtain and review a criminal history research report for such person. The criminal history record report shall include the Multi-State/Juris Criminal Records Locator or other similar commercial nationwide database with validation (primary source search) and the National Sex Offender Registry database. A ride-sharing operator's criminal record report must meet the following requirements: no match on the national sex offender registry, and no conviction within the past 7 years for crimes of violence, sexual abuse, felony robbery, or felony fraud. Each person applying to act as a ride-sharing operator for a ride-sharing network shall complete and deliver to the ride-sharing network any requested forms reasonably required for the ride-sharing network to obtain the required reports.
- Prior to permitting a person to act as a ride-sharing operator on the Lyft network, Lyft shall obtain and review a driving history research report for such person. A ride-sharing operator's driving record report must meet the following requirements: no conviction that appears on a driving history check within the past 7 years for aggravated reckless driving, driving under the influence of drugs or alcohol, hit and run involving injury, attempting to evade the police, or use of a motor vehicle to commit a crime, and no conviction in the past 3 years for driving with a suspended or revoked license.
- Lyft's affiliated ride-sharing operators shall:



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1. Possess a valid driver's license, proof of registration, proof of motor vehicle insurance, and be at least 21 years of age, and
 2. Provide proof of both the operator's personal insurance and excess liability insurance in the case of an accident; provided, that the operator shall have 24 hours to provide proof of excess liability insurance.
- All vehicles used by ride-sharing operators shall have a safety inspection conducted by Lyft before being used to provide a ride-sharing service. Such inspections shall include the following:
 1. Foot brakes;
 2. Emergency brakes;
 3. Steering mechanism;
 4. Windshield;
 5. Rear window and other glass;
 6. Windshield wipers;
 7. Headlights;
 8. Tail lights;
 9. Turn indicator lights;
 10. Stop lights;
 11. Front seat adjustment mechanism;
 12. Doors (open, close, lock);
 13. Horn;
 14. Speedometer;
 15. Bumpers;
 16. Muffler and exhaust system;
 17. Condition of tires, include tread depth;
 18. Interior and exterior rear view mirrors; and
 19. Safety belts for driver and passenger(s).
 - Lyft shall maintain an excess liability insurance policy that provides a minimum of \$1 million per-incident coverage for accidents involving a ride-sharing vehicle and operator in transit to or during a ride-sharing trip.

We look forward to working with the Common Council on the regulatory framework it ultimately adopts.

Regards,

Joseph Okpaku
Director of Public Policy
Lyft, Inc.

