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Days After Suing Uber, Portland Drops Lawsuit

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<http://www.governing.com/topics/public-justice-safety/tns-portland-uber-lawsuit.html>

Just 10 days after the city of Portland, Ore., sued ride-sharing giant Uber, saying it was illegally operating in the city, the San Francisco company has agreed to cease operations there until the spring.

In a statement released Thursday, Uber said it will cease all rides in Portland on Dec. 21 to give city officials time to draft proper regulations for all private for-hire transportation services in the city.

In a separate statement, Portland Mayor Charlie Hales said he has convened a task force that will create safety regulations for all ride services, including traditional taxi cabs as well as ride-sharing companies such as Uber and Lyft.

The task force is expected to bring its findings before Portland's City Council on April 9, Hales said.

"Uber is dedicated to curating and continuing a valuable and constructive relationship with Portland's lawmakers, working to create a regulatory framework that works for everyone, not just us," the company said in its statement.

Portland filed a suit Dec. 8 to block Uber from operating in the city, alleging the ride-sharing service was not complying with the city's permit and insurance guidelines for taxi services. Portland's transportation director also issued a cease-and-desist letter to Uber that day.

Dana Haynes, a spokesman for Mayor Hales, told the Los Angeles Times that the city has decided to drop its suit in response to Uber's decision to suspend rides.

"The mayor has been fairly confident that we were going to get on the same page," said Haynes, adding that the city and Uber officials have been in contact almost daily in recent weeks.

Haynes said the mayor's task force will set rules for pricing, insurance, safety inspections and driver background checks for city taxis, Uber, Lyft and other ride-sharing services before the April 9 City Council meeting.

Portland is one of the only cities in Oregon that regulates its own taxi industry, according to Haynes, who said the industry is privatized in most other parts of the state.

The Portland lawsuit marked the latest in a long line of setbacks for Uber, which ceased operations in Nevada last month after a county court there filed a temporary injunction against the company.

The city of Toronto sought a court order to suspend Uber's operations in November.

And this month, district attorneys in San Francisco and Los Angeles filed lawsuits against Uber, alleging that the company has misled consumers about the extent of the background checks it conducts on drivers. Uber is continuing to operate in both cities while litigation proceeds.