



COLORADO

Department of
Regulatory Agencies

Public Utilities Commission

NEWS RELEASE

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PUC staff issues \$8.9 million civil penalty assessment notice to Uber parent company for violations of driver qualification laws

DENVER — Criminal investigators with the Colorado Public Utilities Commission (PUC) today issued a Civil Penalty Assessment Notice (CPAN) totaling \$8.9 million to Rasier, LLC, the parent company of Uber, for allowing individuals with disqualifying criminal or motor vehicle offenses, or without valid licenses, to drive for the company.

The CPAN listed violations involving 57 Uber drivers over the last year and a half who should not have been permitted to drive for the company. The company was cited \$2,500 a day for each day a disqualified driver was found to have worked.

PUC transportation enforcement staff launched an investigation earlier this year after a referral from the Vail Police Department about an Uber driver accused of assaulting a passenger. In cross-checking driver records produced by the company with information obtained from the Colorado Crime Information Center (CCIC) and court databases, PUC staff found that Uber allowed individuals to drive with previous felony convictions, major moving violations (DUI, DWI, reckless driving, driving under restraint), and numerous instances of individuals driving with suspended, revoked or cancelled driver's licenses.

"We have determined that Uber had background check information that should have disqualified these drivers under the law, but they were allowed to drive anyway," PUC Director Doug Dean said. "These actions put the safety of passengers in extreme jeopardy."

Under Colorado law, a Transportation Network Company (TNC) must perform a criminal history record check prior to allowing a person to act as a driver for the company. The company must also obtain and review a driving history report for individuals before they are allowed to drive. Drivers must have a valid driver's license.

TNCs are required to disqualify drivers who have been convicted of specific offenses listed in statute - such as felony convictions, alcohol or drug-related driving offenses, unlawful sexual offenses, and major moving vehicle violations.

"PUC staff was able to find felony convictions that the company's background checks failed to find, demonstrating that the company's background checks are inadequate," Dean said. "In other cases, we could not confirm criminal background checks were even conducted by Uber."

Among the findings of the investigation were 12 drivers with felony convictions; 17 drivers with major moving vehicle violations; three drivers with interlock driver's licenses, which are required after recent drunk driving convictions; and 63 drivers with driver's license issues.

Uber's background checks also failed to identify a number of aliases used by their drivers, including one driver who was a convicted felon, habitual offender, and at one point in his past had escaped from the Colorado Department of Corrections. Nevertheless, after he was released from prison, he became a driver for Uber.

Under PUC rules, Uber can pay 50 percent of the CPAN amount within 10 days to resolve the case. Or the company can request a hearing before an administrative law judge to contest the CPAN.

About PUC

The Colorado Public Utilities Commission (PUC) serves the public interest by effectively regulating utilities and facilities so that the people of Colorado receive safe, reliable, and reasonably-priced services consistent with the economic, environmental and social values of our state.

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