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NEWS APR 8 2016, 1:13 AM ET

Uber Settles Driver Background-Check Case for at Least \$10M

by THE ASSOCIATED PRESS

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LOS ANGELES — Ride-hailing company Uber will pay at least \$10 million to settle allegations by California prosecutors that it misled passengers about the quality of its driver background checks.

The settlement was signed Thursday in San Francisco, where Uber is based and where the district attorney led a lawsuit that said Uber falsely claimed its criminal screening of would-be drivers was the most comprehensive available.

San Francisco and Los Angeles prosecutors sued in 2014, saying Uber's background checks were inferior to what taxi drivers undergo because they did not include fingerprint checks for past convictions. Instead, Uber's process relies on a name search of other criminal databases and motor vehicle department files going back seven years.

Uber has defended the safety of its service amid a steady stream of allegations that its drivers have assaulted passengers, or, in the case of a driver in Michigan earlier this year, killed people. The app lets passengers share their location in real time, Uber points out, and the person who booked the ride is required to rate the driver after each trip, helping weed out unsavory characters.

Under the settlement, Uber agreed to pay \$10 million within 60 days. If the company does not comply with the terms over the next two years, Uber would have to pay an additional \$15 million, prosecutors said.

Uber did not admit wrongdoing, as is standard for such settlements, and said it already has made many changes prosecutors sought.

For example, Uber stopped claiming its background checks were "industry leading" when it settled a separate case brought by riders. Under that \$28.5 million settlement reached in February, Uber also renamed its "safe ride fee" as a "booking fee."

Prosecutors ratcheted up pressure on the company in August, expanding the lawsuit with claims that Uber failed to uncover the criminal records of 25 California drivers, including several registered sex offenders and a convicted murderer.

"The result we achieved today goes well beyond its impact on Uber," San Francisco District Attorney George Gascón said in a written statement. "It sends a clear message to all businesses, and to startups in particular, that in the quest to quickly obtain market share, laws designed to protect consumers cannot be ignored."

Originally, the district attorneys also filed a claim against Lyft, another ride-hailing company. Lyft settled its case last year by agreeing to pay \$250,000 and stop claiming its background checks were among the industry's best.

Thursday's settlement also touched on airport trips. Uber agreed to operate its lower-cost UberX service only at airports where it has been granted permission. And it cannot charge riders an airport fee unless all that money goes to the airport, prosecutors said.

"We're glad to put this case behind us and excited to redouble our efforts serving riders and drivers across the state of California," Uber said in a written statement.

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Presidential Candidates Take a Bite of the Big Apple

The candidates flocked to New York City ahead of the state's primaries on April 19.

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1. Republican presidential candidate Ted Cruz and children make matzah, a traditional Jewish bread, at a campaign event in Brooklyn, New York on April 7, 2016.

The Texas senator is targeting the state's heavy Orthodox Jewish population, its most conservative districts upstate and those New York City districts with the fewest registered Republicans to get a hold of the state's 95 delegates.

 Carlo Allegri / Reuters




2. Ted Cruz wears a "Cruz 2016" yarmulke as he speaks to Jewish community leaders at the Jewish Center of Brighton Beach in Brooklyn, New York on April 7.

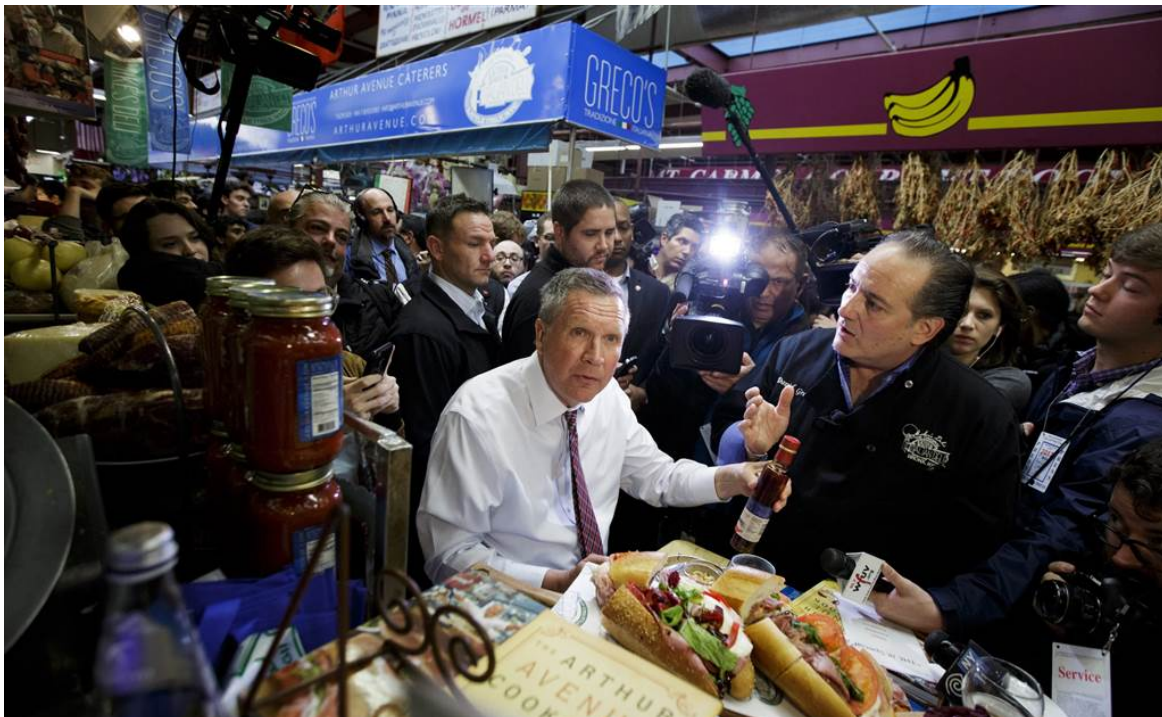
📷 Mary Altaffer / AP



3. Democratic presidential candidate Bernie Sanders and his wife Jane eat at the Brooklyn Diner in New York City on April 7. Polls show Clinton leading on the democratic side, but after Sanders' double-digit victory in Wisconsin, the primary on April 19 will be critical for both campaigns.

 Brian Snyder / Reuters

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4. Republican presidential candidate John Kasich has lunch at Mike's Italian Deli at the Arthur Avenue market in the Bronx on April 7.

Kasich met potential voters and tried some of New York City's signature sandwiches. After the event, Kasich said "I love New York values" when asked about the phrase Cruz coined while attacking Donald Trump.

"(New York values mean) innovation, great neighborhoods, great food," Kasich said as he left the deli.

 JUSTIN LANE / EPA



5. Hillary Clinton holds her Metrocard as she goes through the turnstile to enter the subway in the Bronx on April 7. Clinton hopped on the 4 train at Yankee Stadium and rode it uptown to the 170th St. Station with Bronx Borough President Ruben Diaz Jr.

Though the former New York senator said she last rode the train only a year or two ago, she seemed to have some trouble with the turnstile. Clinton had to swipe her metro card four times before making it through.

📷 Richard Drew / AP



6. Hillary Clinton rides the subway with Bronx Borough President Ruben Diaz on April 7.

 BRENDAN MCDERMID / Reuters

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7. Ted Cruz waves to a supporter as he arrives for a campaign stop at the Sabrosura restaurant in the Bronx on April 6.

Cruz is hoping to take advantage of the state's rules to pick up scattered delegates across the state and put behind his infamous criticism of Trump and his "New York values." The rule for obtaining delegates is that in any congressional district in which a candidate doesn't win 50 percent of the vote, the winner gets two delegates while the second-place finisher gets one.

📷 MIKE SEGAR / Reuters



8. Hillary Clinton campaigns with borough President Ruben Diaz Jr. on April 7 in the Bronx.

📷 Andrew Renneisen / Getty Images



9. John Kasich takes an order for a slice of pizza to a customer at Gino's Pizzeria and Restaurant in Queens, New York on March 30.

 Shannon Stapleton / Reuters

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