

Bond Case Briefs

Municipal Finance Law Since 1971

PUBLIC UTILITIES - CALIFORNIA

Goncharov v. Uber Technologies, Inc.

Court of Appeal, First District, Division 1, California - January 29, 2018 - Cal.Rptr.3d - 19 Cal.App.5th 1157 - 2018 WL 580714 - 18 Cal. Daily Op. Serv. 1007

Licensed taxicab drivers filed putative class action lawsuit against operator of ride-sharing service, which utilized GPS-enabled smartphone application to connect consumers with its partner drivers, alleging operator failed to comply with the Public Utilities Commission licensing requirements for charter-party carriers and asserting claims for violation of the Unfair Competition Law (UCL) and other causes of action.

The Superior Court granted operator's demurrer to second amended complaint and subsequently entered judgment in its favor. Drivers appealed.

The Court of Appeal held that:

- Operator was not required to comply with statute governing reconsideration motions when it filed demurrer to second amended complaint, and
- Superior Court's resolution of taxicab drivers' claims would interfere with CPUC's exercise of regulatory authority, and thus action was barred under statute limiting review of CPUC actions.

Superior Court resolution of claims by licensed taxicab drivers alleging that operator of ride-sharing service, which utilized smartphone application to connect customers with drivers, operated as unpermitted and unlawful charter-party carrier would hinder or interfere with exercise of regulatory authority by California Public Utilities Commission (CPUC), and thus action was barred by statute limiting review of CPUC actions to Supreme Court and Court of Appeal, though CPUC had issued permit for one of operator's transportation options; CPUC was actively involved in addressing questions of whether operator was charter-party carrier and which regulations applied, judicial determination of those issues would infringe on CPUC's rulemaking, and issuance of permit preserved CPUC jurisdiction over that transportation option.