

## New York Seeks Temporary Restraining Order Against Lyft

By Nahal Bahri, J.D. Candidate 2015 | July 13, 2014

In the [Uber v. Lyft competition](#), it seems like Lyft has experienced a serious setback in New York when it tried to launch its services in the Big Apple last week. New York Attorney General Eric Schneiderman and Benjamin Lawskey, Superintendent of Financial Services, filed for a [temporary restraining order](#) (“TRO”) to stop Lyft from launching its ride-sharing service.

In the complaint, Schneiderman [accuses](#) Lyft of violating state licensing and insurance laws. Unlike Uber, the complaint alleged that Lyft “actually operates as a traditional for-hire livery service using mobile technology, not a peer-to-peer transportation platform as claimed.” As a result, Lyft would need to follow state regulations surrounding licensing.

Lyft responded to the suit by stating its interest in working with local law enforcement and regulators to protect and preserve public safety while bringing the ride-sharing service into New York City.

This suit is not the first time that the New York Attorney General went after startups that allow users to share services. Last week, Schneiderman made an [agreement](#) with “Uber to restrict its practice of surge pricing for rides during emergencies. The attorney general’s office had been investigating whether Uber violated price-gouging laws in the past.”

Furthermore, Schneiderman raised issues surrounding Airbnb’s services, citing “concerns that Airbnb could be undermining tenant and tourist protections, and he subpoenaed user data from Airbnb last year.” Both parties agreed to settle the case last month.

Schneiderman and Lawskey tried to resolve these issues with Lyft prior to filing suit but were unsuccessful. In a joint statement, they [stated](#) that they “pursued this action only after repeatedly offering to work with Lyft in order to ensure that its business practices complied with the law.”

Lyft is expected to [appear](#) in state court this week to hear whether Justice Kathryn Freed will determine whether Lyft’s practices violate any laws, as the complaint alleges.