



Association for Commuter Transportation

*Timely Transportation Topics*

## Defining “Ridesharing:” A Guide for Reporters, Legislators, and Regulators

*The Association for Commuter Transportation (ACT) Calls for Correct  
Use of the Terms “Ridesharing” and “Carpooling”*

(ALEXANDRIA, VA – September 18, 2014) The words “ridesharing” and “carpooling” are in the headlines a lot lately thanks to use of those terms by companies such as Uber and Lyft. There’s a problem with their use of those words, however. Such companies offer for-hire, for-profit driving services, *not* traditional ridesharing. The non-profit Association for Commuter Transportation says it is time for everyone to understand the difference.

Why are definitions important? Because some state and local governments have inadvertently begun looking to regulate “ridesharing,” not realizing the difference between for-profit driving services such as Uber and Lyft and traditional non-commercial ridesharing.

California and Arizona, for example, recently drafted legislation and policies meant to regulate transportation network companies such as Uber and Lyft, but definitional ambiguity almost led to the regulation of those engaged in traditional carpooling and vanpooling. Arizona would have even required carpoolers and vanpoolers who were matched with ridematching software to register with the Department of Motor Vehicles, among other things.

Let’s be clear: Traditional ridesharing is not a for-hire commercial service. Riders do not hail a carpool or a vanpool, and drivers do not profit as they do with a taxi or as they do with transportation network companies.

Traditional ridesharing means people pooling from a common origin, such as a residence or park-and-ride lot, to a common destination, such as an employer or business park. In some cases, an arrangement is made that allows carpool or vanpool drivers to recoup the cost of the commute or receive some *de minimus* compensation, but the pool driver is simply a volunteer commuter whose goal is getting to the same destination and home again, not to profit as a commercial driver.

ACT is not anti-Uber or anti-Lyft. Indeed, transportation network companies (TNCs) have a role to play in providing the traveling public with more mobility options. The association is willing to work with these TNC companies to find appropriate terminology while simultaneously protecting the public, and is also supportive of states and localities seeking to follow best practices if they regulate transportation network companies.

ACT offers a resource page at [actweb.org/URL](http://actweb.org/URL) that includes a matrix clarifying differences between transportation network companies and traditional carpool/vanpools, plus best practices to help policy makers promote innovation, protect the public, and support true ridesharing.

The Association for Commuter Transportation (ACT) is a non-profit international trade association and leading advocate for commuter choice and transportation demand management. Commuting by bus, train, rideshare, bike, walking, or telework improves our world by contributing to energy independence, better air quality, sustainability, urban mobility, and reduced congestion.

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