

NY reaches price limit deal with car service Uber

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New York's attorney general says the car service Uber has agreed to limit prices during emergencies, natural disasters or other market disruptions consistent with the state's law against price gouging.

The company's rates rise and fall with demand. It has been criticized for "surge pricing" that's sometimes exponentially higher.

Under the agreement, it will set a cap during "abnormal disruptions of the market," limited to the range charged in the preceding 60 days and excluding the three highest prices.

Attorney General Eric Schneiderman says Tuesday it will apply to UberX, Uber Black, Uber SUV and Uber LUX.

On Monday, Uber said it is temporarily cutting New York City prices in a bid to compete with taxis.

The San Francisco-based company is expected to apply the same cap policy for its services nationally.

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