

Second Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 14-0687.02 Jennifer Berman x3286

SENATE BILL 14-125

SENATE SPONSORSHIP

Jahn and Harvey, Baumgardner, Cadman, Crowder, Grantham, Herpin, Hodge, Johnston, Lambert, Marble, Newell, Rivera, Steadman, Todd, Zenzinger

HOUSE SPONSORSHIP

Pabon and Szabo,

Senate Committees

Business, Labor, & Technology
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE REGULATION OF TRANSPORTATION NETWORK**
102 **COMPANIES, AND, IN CONNECTION THEREWITH, REQUIRING**
103 **TRANSPORTATION NETWORK COMPANIES TO CARRY LIABILITY**
104 **INSURANCE, CONDUCT BACKGROUND CHECKS ON**
105 **TRANSPORTATION NETWORK COMPANY DRIVERS, INSPECT**
106 **TRANSPORTATION NETWORK COMPANY VEHICLES, AND OBTAIN**
107 **A PERMIT FROM THE PUBLIC UTILITIES COMMISSION; AND**
108 **MAKING AN APPROPRIATION.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

SENATE
Amended 2nd Reading
March 7, 2014

applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/bills/summaries>.)

The bill authorizes the public utilities commission (PUC) to regulate transportation network companies, which are companies that match drivers and passengers through a digital network, such as a mobile phone application, for transportation from an agreed-upon point of origin to an agreed-upon destination.

Section 1 of the bill exempts transportation network companies from the definition of "common carrier". **Section 2** exempts transportation network companies from the definitions of "contract carrier" and "motor carrier". **Sections 3 and 4** authorize the PUC to exercise limited regulatory authority over transportation network companies.

Section 5 exempts transportation network companies from much of the PUC's authority, including regulation of rates, entry, operational requirements, and general requirements governing common carriers, contract carriers, and motor carriers, but does require a transportation network company to obtain a permit from the PUC. Section 5 authorizes the PUC to regulate permit holders with respect to safety conditions, insurance requirements, and driver qualifications. Section 5 also authorizes the PUC to take action against a transportation network company for any violations, including the authority to issue a cease-and-desist letter, suspend or revoke a permit, or impose civil penalties.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 40-1-102, **amend** (3)

3 (b) as follows:

4 **40-1-102. Definitions.** As used in articles 1 to 7 of this title,
5 unless the context otherwise requires:

6 (3) (b) "Common carrier" does not include a motor carrier that
7 provides transportation not subject to regulation pursuant to section
8 40-10.1-105, ~~or~~ A MOTOR CARRIER that is subject to part 3, 4, or 5 of
9 article 10.1 of this title, A TRANSPORTATION NETWORK COMPANY, AS
10 DEFINED IN SECTION 40-10.1-602 (3), OR A TRANSPORTATION NETWORK
11 COMPANY DRIVER, AS DEFINED IN SECTION 40-10.1-602 (4).

1 **SECTION 2.** In Colorado Revised Statutes, 40-10.1-101, **amend**
2 (6) and (10) as follows:

3 **40-10.1-101. Definitions.** As used in this article, unless the
4 context otherwise requires:

5 (6) "Contract carrier" means every person, other than a common
6 carrier or a motor carrier of passengers under part 3 of this article, who,
7 by special contract, directly or indirectly affords a means of passenger
8 transportation over any public highway of this state; EXCEPT THAT THE
9 TERM DOES NOT INCLUDE A TRANSPORTATION NETWORK COMPANY, AS
10 DEFINED IN SECTION 40-10.1-602 (3), OR A TRANSPORTATION NETWORK
11 COMPANY DRIVER, AS DEFINED IN SECTION 40-10.1-602 (4).

12 (10) "Motor carrier" means any person owning, controlling,
13 operating, or managing ~~any~~ A motor vehicle that provides transportation
14 in intrastate commerce pursuant to this article; EXCEPT THAT THE TERM
15 DOES NOT INCLUDE A TRANSPORTATION NETWORK COMPANY, AS DEFINED
16 IN SECTION 40-10.1-602 (3), OR A TRANSPORTATION NETWORK COMPANY
17 DRIVER, AS DEFINED IN SECTION 40-10.1-602 (4).

18 **SECTION 3.** In Colorado Revised Statutes, 40-10.1-103, **add** (3)
19 as follows:

20 **40-10.1-103. Subject to control by commission.**
21 (3) TRANSPORTATION NETWORK COMPANIES, AS DEFINED IN SECTION
22 40-10.1-602 (3), ARE NOT COMMON CARRIERS, CONTRACT CARRIERS, OR
23 MOTOR CARRIERS UNDER THIS TITLE, BUT ARE DECLARED TO BE AFFECTED
24 WITH A PUBLIC INTEREST AND ARE SUBJECT TO REGULATION TO THE
25 EXTENT PROVIDED IN PART 6 OF THIS ARTICLE.

26 **SECTION 4.** In Colorado Revised Statutes, **add** 40-10.1-117 as
27 follows:

1 TRANSPORTATION BY FACILITATING RIDERS' TRAVEL TO AND FROM
2 TRANSPORTATION HUBS; AND

3 (d) TRANSPORTATION NETWORK COMPANIES DO NOT PROVIDE
4 TRANSPORTATION SERVICES IN THE TRADITIONAL SENSE IN THAT THEY DO
5 NOT OWN, CONTROL, OPERATE, OR MANAGE VEHICLES, EMPLOY DRIVERS,
6 OR TRANSPORT RIDERS. A TRANSPORTATION NETWORK COMPANY'S
7 ESSENTIAL FUNCTION IS TO CONNECT PEOPLE TO FORM A TRANSPORTATION
8 COMMUNITY.

9 (2) THE GENERAL ASSEMBLY FURTHER FINDS AND DECLARES THAT:

10 (a) ALLOWING TRANSPORTATION NETWORK COMPANIES IN
11 COLORADO IS CONSISTENT WITH COLORADO'S COMMITMENT TO
12 ENTREPRENEURS, TECHNOLOGICAL INNOVATION, AND THE SHARING
13 ECONOMY; AND

14 (b) TRANSPORTATION NETWORK COMPANIES ARE NOT COMMON
15 CARRIERS OR CONTRACT CARRIERS. TRANSPORTATION NETWORK
16 COMPANIES REQUIRE A DIFFERENT REGULATORY SCHEME BECAUSE THEY
17 OPERATE AN ONLINE-BASED DIGITAL NETWORK.

18 **40-10.1-602. Definitions.** AS USED IN THIS PART 6, UNLESS THE
19 CONTEXT OTHERWISE REQUIRES:

20 (1) "PERSONAL VEHICLE" MEANS A VEHICLE THAT IS USED BY A
21 TRANSPORTATION NETWORK COMPANY DRIVER IN CONNECTION WITH
22 PROVIDING SERVICES FOR A TRANSPORTATION NETWORK COMPANY THAT
23 MEETS THE VEHICLE CRITERIA SET FORTH IN THIS PART 6.

24 (2) "PREARRANGED RIDE" MEANS A PERIOD OF TIME THAT BEGINS
25 WHEN A TRANSPORTATION NETWORK COMPANY DRIVER ACCEPTS A
26 REQUESTED RIDE THROUGH A DIGITAL NETWORK, CONTINUES WHILE THE
27 DRIVER TRANSPORTS THE RIDER IN A PERSONAL VEHICLE, AND ENDS WHEN

1 THE RIDER DEPARTS FROM THE PERSONAL VEHICLE.

2 (3) "TRANSPORTATION NETWORK COMPANY" MEANS A
3 CORPORATION, PARTNERSHIP, SOLE PROPRIETORSHIP, OR OTHER ENTITY,
4 OPERATING IN COLORADO, THAT USES A DIGITAL NETWORK TO CONNECT
5 RIDERS TO TRANSPORTATION NETWORK COMPANY DRIVERS FOR THE
6 PURPOSE OF PROVIDING TRANSPORTATION. A TRANSPORTATION NETWORK
7 COMPANY DOES NOT PROVIDE TAXI SERVICE, TRANSPORTATION SERVICE
8 ARRANGED THROUGH A TRANSPORTATION BROKER, RIDESHARING
9 ARRANGEMENTS, AS DEFINED IN SECTION 39-22-509 (1) (a) (II), C.R.S., OR
10 ANY TRANSPORTATION SERVICE OVER FIXED ROUTES AT REGULAR
11 INTERVALS. A TRANSPORTATION NETWORK COMPANY IS NOT DEEMED TO
12 OWN, CONTROL, OPERATE, OR MANAGE THE PERSONAL VEHICLES USED BY
13 TRANSPORTATION NETWORK COMPANY DRIVERS.

14 (4) "TRANSPORTATION NETWORK COMPANY DRIVER" OR "DRIVER"
15 MEANS AN INDIVIDUAL WHO USES HIS OR HER PERSONAL VEHICLE TO
16 PROVIDE SERVICES FOR RIDERS MATCHED THROUGH A TRANSPORTATION
17 NETWORK COMPANY'S DIGITAL NETWORK. A TRANSPORTATION NETWORK
18 COMPANY DRIVER NEED NOT BE AN EMPLOYEE OF A TRANSPORTATION
19 NETWORK COMPANY.

20 (5) "TRANSPORTATION NETWORK COMPANY RIDER" OR "RIDER"
21 MEANS AN INDIVIDUAL WHO USES A TRANSPORTATION NETWORK
22 COMPANY'S ONLINE APPLICATION OR DIGITAL NETWORK TO CONNECT WITH
23 A DRIVER TO OBTAIN SERVICES IN THE DRIVER'S PERSONAL VEHICLE FROM
24 AN AGREED-UPON POINT OF DEPARTURE TO AN AGREED-UPON
25 DESTINATION.

26 (6) "TRANSPORTATION NETWORK COMPANY SERVICES" OR
27 "SERVICES" MEANS THE PROVISION OF TRANSPORTATION BY A DRIVER TO

1 A RIDER WITH WHOM THE DRIVER IS MATCHED THROUGH A
2 TRANSPORTATION NETWORK COMPANY.

3 **40-10.1-603. Limited regulation.** NOTWITHSTANDING ANY OTHER
4 PROVISION OF LAW, TRANSPORTATION NETWORK COMPANIES ARE
5 GOVERNED EXCLUSIVELY BY THIS PART 6. A TRANSPORTATION NETWORK
6 COMPANY IS NOT SUBJECT TO THE COMMISSION'S RATE, ENTRY,
7 OPERATIONAL, OR COMMON CARRIER REQUIREMENTS, OTHER THAN THOSE
8 REQUIREMENTS EXPRESSLY SET FORTH IN THIS PART 6.

9 **40-10.1-604. Registration - financial responsibility of**
10 **transportation network companies - insurance.** (1) A
11 TRANSPORTATION NETWORK COMPANY SHALL COMPLY WITH THE FILING
12 REQUIREMENTS OF PART 3 AND THE REGISTERED AGENT REQUIREMENT OF
13 PART 7 OF ARTICLE 90 OF TITLE 7, C.R.S.

14 (2) A TRANSPORTATION NETWORK COMPANY SHALL FILE WITH THE
15 COMMISSION A CERTIFICATE OF INSURANCE EVIDENCING THAT THE
16 TRANSPORTATION NETWORK COMPANY HAS SECURED AN INSURANCE
17 POLICY ISSUED BY AN INSURANCE COMPANY AUTHORIZED TO DO BUSINESS
18 IN THIS STATE WITH PRIMARY LIABILITY COVERAGE IN THE AMOUNT OF
19 ONE MILLION DOLLARS PER OCCURRENCE FOR INCIDENTS INVOLVING A
20 DRIVER DURING A PREARRANGED RIDE. THE TRANSPORTATION NETWORK
21 COMPANY'S INSURANCE POLICY MUST PROVIDE THIS COVERAGE AT ALL
22 TIMES THAT THE DRIVER IS ENGAGED IN A PREARRANGED RIDE.

23 (3) TRANSPORTATION NETWORK COMPANY DRIVERS SHALL
24 MAINTAIN PERSONAL AUTOMOTIVE LIABILITY INSURANCE WITH A
25 LIABILITY LIMIT AT LEAST EQUAL TO THE MINIMUM REQUIREMENT SET
26 FORTH IN SECTION 10-4-620, C.R.S. A TRANSPORTATION NETWORK
27 COMPANY SHALL VERIFY THAT EACH PROSPECTIVE DRIVER POSSESSES

1 PROOF OF AUTOMOBILE INSURANCE BEFORE ALLOWING THE PROSPECTIVE
2 DRIVER TO PROVIDE SERVICES THROUGH THE TRANSPORTATION NETWORK
3 COMPANY'S DIGITAL NETWORK.

4 (4) NOTHING IN THIS SECTION MODIFIES OR ABROGATES ANY
5 OTHERWISE APPLICABLE INSURANCE REQUIREMENTS SET FORTH IN TITLE
6 10, C.R.S.

7 **40-10.1-605. Operational requirements.** (1) THE FOLLOWING
8 REQUIREMENTS APPLY TO THE PROVISION OF SERVICES:

9 (a) A DRIVER SHALL NOT PROVIDE SERVICES UNLESS A
10 TRANSPORTATION NETWORK COMPANY HAS MATCHED THE DRIVER TO A
11 RIDER THROUGH A DIGITAL NETWORK. A DRIVER SHALL NOT SOLICIT OR
12 ACCEPT THE ON-DEMAND SUMMONING OF A RIDE, OTHERWISE KNOWN AS
13 A "STREET HAIL".

14 (b) A TRANSPORTATION NETWORK COMPANY SHALL MAKE
15 AVAILABLE TO PROSPECTIVE RIDERS THE METHOD BY WHICH THE
16 TRANSPORTATION NETWORK COMPANY CALCULATES FARES OR THE
17 APPLICABLE RATES BEING CHARGED AND AN OPTION TO RECEIVE AN
18 ESTIMATED FARE.

19 (c) UPON COMPLETION OF A PREARRANGED RIDE, A
20 TRANSPORTATION NETWORK COMPANY SHALL TRANSMIT TO THE RIDER AN
21 ELECTRONIC RECEIPT, EITHER BY ELECTRONIC MAIL OR VIA TEXT MESSAGE,
22 DOCUMENTING:

23 (I) THE POINT OF ORIGIN AND DESTINATION OF THE PREARRANGED
24 RIDE;

25 (II) THE TOTAL DURATION AND DISTANCE OF THE PREARRANGED
26 RIDE; ==

27 (III) THE TOTAL FARE PAID, INCLUDING THE BASE FARE AND ANY

1 ADDITIONAL CHARGES INCURRED FOR DISTANCE TRAVELED OR DURATION
2 OF THE PREARRANGED RIDE; AND

3 (IV) THE DRIVER'S FIRST NAME AND TELEPHONE NUMBER.

4 (d) BEFORE PERMITTING A PERSON TO ACT AS A TRANSPORTATION
5 NETWORK COMPANY DRIVER ON ITS DIGITAL NETWORK, A
6 TRANSPORTATION NETWORK COMPANY SHALL CONFIRM THAT THE PERSON
7 IS AT LEAST TWENTY-ONE YEARS OF AGE AND POSSESSES:

8 (I) A VALID DRIVER'S LICENSE;

9 (II) PROOF OF AUTOMOBILE INSURANCE; AND

10 (III) PROOF OF A COLORADO VEHICLE REGISTRATION.

11 (e) A DRIVER SHALL NOT OFFER OR PROVIDE TRANSPORTATION
12 NETWORK COMPANY SERVICES IN EXCESS OF THE MAXIMUM SERVICE
13 HOURS AS DETERMINED BY THE COMMISSION.

14 (f) A TRANSPORTATION NETWORK COMPANY SHALL IMPLEMENT AN
15 INTOXICATING SUBSTANCE POLICY FOR DRIVERS THAT DISALLOWS ANY
16 AMOUNT OF INTOXICATION OF THE DRIVER WHILE PROVIDING SERVICES.
17 THE TRANSPORTATION NETWORK COMPANY SHALL INCLUDE ON ITS WEB
18 SITE AND MOBILE DEVICE APPLICATION SOFTWARE A NOTICE CONCERNING
19 THE TRANSPORTATION NETWORK COMPANY'S INTOXICATING SUBSTANCE
20 POLICY.

21 (g) (I) A TRANSPORTATION NETWORK COMPANY SHALL CONDUCT
22 OR HAVE A CERTIFIED MECHANIC CONDUCT A SAFETY INSPECTION OF A
23 PROSPECTIVE DRIVER'S VEHICLE BEFORE IT IS APPROVED FOR USE AS A
24 PERSONAL VEHICLE AND SHALL HAVE PERIODIC INSPECTIONS OF PERSONAL
25 VEHICLES CONDUCTED THEREAFTER, AT INTERVALS OF AT LEAST ONE
26 INSPECTION PER YEAR. A SAFETY INSPECTION SHALL INCLUDE AN
27 INSPECTION OF:

- 1 (A) FOOT BRAKES;
2 (B) EMERGENCY BRAKES;
3 (C) STEERING MECHANISM;
4 (D) WINDSHIELD;
5 (E) REAR WINDOW AND OTHER GLASS;
6 (F) WINDSHIELD WIPERS;
7 (G) HEADLIGHTS;
8 (H) TAIL LIGHTS;
9 (I) TURN INDICATOR LIGHTS;
10 (J) STOP LIGHTS;
11 (K) FRONT SEAT ADJUSTMENT MECHANISM;
12 (L) THE OPENING, CLOSING, AND LOCKING CAPABILITY OF THE
13 DOORS;
14 (M) HORN;
15 (N) SPEEDOMETER;
16 (O) BUMPERS;
17 (P) MUFFLER AND EXHAUST SYSTEM;
18 (Q) TIRE CONDITIONS, INCLUDING TREAD DEPTH;
19 (R) INTERIOR AND EXTERIOR REAR-VIEW MIRRORS; AND
20 (S) SAFETY BELTS.
21 (II) THE COMMISSION MAY ALSO CONDUCT INSPECTIONS OF
22 PERSONAL VEHICLES.
23 (h) A PERSONAL VEHICLE MUST:
24 (I) HAVE AT LEAST FOUR DOORS; AND
25 (II) BE DESIGNED TO CARRY NO MORE THAN EIGHT PASSENGERS,
26 INCLUDING THE DRIVER.
27 (i) A TRANSPORTATION NETWORK COMPANY SHALL MAKE THE

1 FOLLOWING DISCLOSURE TO A PROSPECTIVE DRIVER IN THE PROSPECTIVE
2 DRIVER'S TERMS OF SERVICE:

3 WHILE OPERATING ON THE TRANSPORTATION NETWORK
4 COMPANY'S DIGITAL NETWORK, YOUR PERSONAL
5 AUTOMOBILE INSURANCE POLICY MIGHT NOT AFFORD
6 LIABILITY COVERAGE, DEPENDING ON THE POLICY'S
7 TERMS.

8 (j) (I) A TRANSPORTATION NETWORK COMPANY SHALL MAKE THE
9 FOLLOWING DISCLOSURE TO A PROSPECTIVE DRIVER IN THE PROSPECTIVE
10 DRIVER'S TERMS OF SERVICE:

11 IF THE VEHICLE THAT YOU PLAN TO USE TO PROVIDE
12 TRANSPORTATION NETWORK COMPANY SERVICES FOR
13 OUR TRANSPORTATION NETWORK COMPANY HAS A LIEN
14 AGAINST IT, YOU MUST NOTIFY THE LIEN HOLDER THAT
15 YOU WILL BE USING THE VEHICLE FOR TRANSPORTATION
16 NETWORK COMPANY SERVICES.

17 (II) THE DISCLOSURE SET FORTH IN SUBPARAGRAPH (I) OF THIS
18 PARAGRAPH (j) MUST BE PLACED PROMINENTLY IN THE PROSPECTIVE
19 DRIVER'S WRITTEN TERMS OF SERVICE, AND THE PROSPECTIVE DRIVER
20 MUST ACKNOWLEDGE THE TERMS OF SERVICE ELECTRONICALLY OR BY
21 SIGNATURE.

22 (k) A TRANSPORTATION NETWORK COMPANY SHALL MAKE THE
23 FOLLOWING DISCLOSURE TO A RIDER:

24 WHILE RIDING AS A PASSENGER IN A TRANSPORTATION
25 NETWORK COMPANY DRIVER'S PERSONAL VEHICLE, A
26 RIDER IS INSURED UNDER THE TERMS OF THE
27 TRANSPORTATION NETWORK COMPANY'S LIABILITY

1 **POLICY.**

2 **(l) A TRANSPORTATION NETWORK COMPANY SHALL MAKE**
3 **AVAILABLE TO A RIDER A CUSTOMER SUPPORT TELEPHONE NUMBER ON ITS**
4 **DIGITAL NETWORK OR WEB SITE FOR RIDER INQUIRIES.**

5 **(m) A TRANSPORTATION NETWORK COMPANY SHALL DISCLOSE TO**
6 **A RIDER THE INFORMATION SET FORTH IN PARAGRAPH (i) IN THIS**
7 **SUBSECTION (1) ABOUT THE TRANSPORTATION NETWORK COMPANY'S**
8 **LIABILITY POLICY AND THE DRIVER'S PERSONAL AUTOMOBILE INSURANCE**
9 **POLICY.**

10 **(n) THE PRIMARY INSURANCE COVERAGE AND DISCLOSURES SET**
11 **FORTH IN THIS SUBSECTION (1) TAKE EFFECT ON JULY 1, 2014.**

12 (2) A TRANSPORTATION NETWORK COMPANY OR A THIRD PARTY
13 SHALL RETAIN TRUE AND ACCURATE INSPECTION RECORDS FOR AT LEAST
14 FOURTEEN MONTHS AFTER AN INSPECTION WAS CONDUCTED FOR EACH
15 PERSONAL VEHICLE USED BY A DRIVER.

16 (3) (a) BEFORE A PERSON IS PERMITTED TO ACT AS A DRIVER
17 THROUGH USE OF A TRANSPORTATION NETWORK COMPANY'S DIGITAL
18 NETWORK, THE PERSON SHALL:

19 (I) OBTAIN A CRIMINAL HISTORY RECORD CHECK PURSUANT TO THE
20 PROCEDURES SET FORTH IN SECTION 40-10.1-110 AS SUPPLEMENTED BY
21 THE COMMISSION'S RULES PROMULGATED UNDER SECTION 40-10.1-110 OR
22 THROUGH A PRIVATELY ADMINISTERED NATIONAL CRIMINAL HISTORY
23 RECORD CHECK, INCLUDING THE NATIONAL SEX OFFENDER DATABASE; AND

24 (II) PROVIDE A COPY OF THE CRIMINAL HISTORY RECORD CHECK TO
25 THE TRANSPORTATION NETWORK COMPANY.

26 (b) (I) A PERSON WHO HAS BEEN CONVICTED OF OR PLED GUILTY
27 OR NOLO CONTENDERE TO DRIVING UNDER THE INFLUENCE OF DRUGS OR

1 ALCOHOL IN THE PREVIOUS SEVEN YEARS BEFORE APPLYING TO BECOME A
2 TRANSPORTATION NETWORK COMPANY DRIVER SHALL NOT SERVE AS A
3 DRIVER. IF THE CRIMINAL HISTORY RECORD CHECK REVEALS THAT THE
4 PERSON HAS EVER BEEN CONVICTED OF OR PLED GUILTY OR NOLO
5 CONTENDERE TO ANY OF THE FOLLOWING FELONY OFFENSES, THE PERSON
6 SHALL NOT SERVE AS A DRIVER:

7 (A) AN OFFENSE INVOLVING FRAUD, AS DESCRIBED IN ARTICLE 5
8 OF TITLE 18, C.R.S.;

9 (B) AN OFFENSE INVOLVING UNLAWFUL SEXUAL BEHAVIOR, AS
10 DEFINED IN SECTION 16-22-102 (9), C.R.S.;

11 (C) AN OFFENSE AGAINST PROPERTY, AS DESCRIBED IN ARTICLE 4
12 OF TITLE 18, C.R.S.; OR

13 (D) A CRIME OF VIOLENCE, AS DESCRIBED IN SECTION 18-1.3-406,
14 C.R.S.

15 (II) A PERSON WHO HAS BEEN CONVICTED OF A COMPARABLE
16 OFFENSE TO THE OFFENSES LISTED IN SUBPARAGRAPH (I) OF THIS
17 PARAGRAPH (b) IN ANOTHER STATE OR IN THE UNITED STATES SHALL NOT
18 SERVE AS A DRIVER.

19 (III) A TRANSPORTATION NETWORK COMPANY OR A THIRD PARTY
20 SHALL RETAIN TRUE AND ACCURATE RESULTS OF THE CRIMINAL HISTORY
21 RECORD CHECK FOR EACH DRIVER THAT PROVIDES SERVICES FOR THE
22 TRANSPORTATION NETWORK COMPANY FOR AT LEAST FIVE YEARS AFTER
23 THE CRIMINAL HISTORY RECORD CHECK WAS CONDUCTED.

24 (IV) A PERSON WHO HAS, WITHIN THE IMMEDIATELY PRECEDING
25 FIVE YEARS, BEEN CONVICTED OF OR PLED GUILTY OR NOLO CONTENDERE
26 TO A FELONY SHALL NOT SERVE AS A DRIVER.

27 (4) (a) BEFORE PERMITTING AN INDIVIDUAL TO ACT AS A DRIVER

1 ON ITS DIGITAL NETWORK, A TRANSPORTATION NETWORK COMPANY SHALL
2 OBTAIN AND REVIEW A DRIVING HISTORY RESEARCH REPORT FOR THE
3 INDIVIDUAL.

4 (b) AN INDIVIDUAL WITH THE FOLLOWING MOVING VIOLATIONS
5 SHALL NOT SERVE AS A DRIVER:

6 (I) MORE THAN THREE MOVING VIOLATIONS IN THE THREE-YEAR
7 PERIOD PRECEDING THE INDIVIDUAL'S APPLICATION TO SERVE AS A DRIVER
8 FOR THE TRANSPORTATION NETWORK COMPANY; OR

9 (II) A MAJOR MOVING VIOLATION IN THE THREE-YEAR PERIOD
10 PRECEDING THE INDIVIDUAL'S APPLICATION TO SERVE AS A DRIVER FOR
11 THE TRANSPORTATION NETWORK COMPANY, WHETHER COMMITTED IN THIS
12 STATE, ANOTHER STATE, OR THE UNITED STATES, INCLUDING VEHICULAR
13 ELUDING, AS DESCRIBED IN SECTION 18-9-116.5, C.R.S., RECKLESS
14 DRIVING, AS DESCRIBED IN SECTION 42-4-1401, C.R.S., AND DRIVING
15 UNDER RESTRAINT, AS DESCRIBED IN SECTION 42-2-138, C.R.S.

16 (c) A TRANSPORTATION NETWORK COMPANY OR A THIRD PARTY
17 SHALL RETAIN TRUE AND ACCURATE RESULTS OF THE DRIVING HISTORY
18 RESEARCH REPORT FOR EACH DRIVER THAT PROVIDES SERVICES FOR THE
19 TRANSPORTATION NETWORK COMPANY FOR AT LEAST THREE YEARS.

20 (5) IF A TRANSPORTATION NETWORK COMPANY RIDER FILES A
21 COMPLAINT WITH THE COMMISSION AGAINST A TRANSPORTATION
22 NETWORK COMPANY OR DRIVER, THE COMMISSION MAY INSPECT THE
23 TRANSPORTATION NETWORK COMPANY'S RECORDS AS REASONABLY
24 NECESSARY TO INVESTIGATE AND RESOLVE THE COMPLAINT.

25 **40-10.1-606. Permit required for transportation network**
26 **companies - penalty for violation - rules.** (1) A PERSON SHALL NOT
27 OPERATE A TRANSPORTATION NETWORK COMPANY IN COLORADO

1 WITHOUT FIRST HAVING OBTAINED A PERMIT FROM THE COMMISSION.

2 (2) THE COMMISSION SHALL ISSUE A PERMIT TO EACH
3 TRANSPORTATION NETWORK COMPANY THAT MEETS THE REQUIREMENTS
4 OF THIS PART 6 AND PAYS A PERMIT FEE TO THE COMMISSION. THE PERMIT
5 IS VALID FOR ONE YEAR.

6 (3) THE PERMIT FEE FOR THE INITIAL ONE-YEAR PERMIT FOR EACH
7 OF THE TWO TRANSPORTATION NETWORK COMPANIES OPERATING IN
8 COLORADO ON THE EFFECTIVE DATE OF THIS PART 6 IS ONE HUNDRED
9 SEVEN THOUSAND FIVE HUNDRED DOLLARS. IF A THIRD TRANSPORTATION
10 NETWORK COMPANY APPLIES FOR A PERMIT BEFORE THE PERMIT FEE HAS
11 BEEN READJUSTED FOR THE FIRST TIME UNDER SUBSECTION (4) OF THIS
12 SECTION, THE TRANSPORTATION NETWORK COMPANY SHALL PAY A PERMIT
13 FEE OF SEVENTY-ONE THOUSAND SIX HUNDRED SIXTY-SEVEN DOLLARS
14 AND THE TWO OTHER PERMIT HOLDERS SHALL EACH BE REFUNDED
15 ONE-HALF OF THE PERMIT FEE PAID BY THE THIRD PERMIT HOLDER. IF A
16 FOURTH TRANSPORTATION NETWORK COMPANY APPLIES FOR A PERMIT FEE
17 BEFORE THE PERMIT FEE HAS BEEN READJUSTED FOR THE FIRST TIME
18 UNDER SUBSECTION (4) OF THIS SECTION, THAT TRANSPORTATION
19 NETWORK COMPANY SHALL PAY A PERMIT FEE OF FIFTY-THREE THOUSAND
20 SEVEN HUNDRED FIFTY DOLLARS AND THE THREE OTHER PERMIT HOLDERS
21 SHALL EACH BE REFUNDED ONE-THIRD OF THE PERMIT FEE PAID BY THE
22 FOURTH PERMIT HOLDER. FOR A FIFTH OR SUBSEQUENT TRANSPORTATION
23 NETWORK COMPANY SEEKING A PERMIT BEFORE THE PERMIT FEE HAS BEEN
24 READJUSTED FOR THE FIRST TIME UNDER SUBSECTION (4) OF THIS SECTION,
25 THE COMMISSION SHALL SET THE FEE BY DETERMINING THE
26 TRANSPORTATION NETWORK COMPANY'S PRO RATA SHARE OF TWO
27 HUNDRED FIFTEEN THOUSAND DOLLARS AND SHALL REFUND TO THE OTHER

1 PERMIT HOLDERS A PRO RATA SHARE OF THE TRANSPORTATION NETWORK
2 COMPANY'S PERMIT FEE.

3 (4) THE GENERAL ASSEMBLY, AT EACH REGULAR SESSION, SHALL
4 DETERMINE THE COMMISSION'S ADMINISTRATIVE EXPENSES FOR
5 REGULATING TRANSPORTATION NETWORK COMPANIES UNDER THIS PART
6 6, INCLUDING ANY FTE ADDITIONS OR REDUCTIONS THAT MAY BE
7 NECESSARY. THE COMMISSION SHALL ASSESS PERMIT FEES IN AMOUNTS
8 THAT, IN THE AGGREGATE, EQUAL THE COMMISSION'S ADMINISTRATIVE
9 EXPENSES, AS DETERMINED BY THE GENERAL ASSEMBLY. THE COMMISSION
10 SHALL ASSESS A PERMIT FEE AGAINST EACH TRANSPORTATION NETWORK
11 COMPANY OPERATING IN COLORADO IN AN AMOUNT APPORTIONED ON THE
12 BASIS OF THE NUMBER OF PERSONAL VEHICLES ASSOCIATED WITH THE
13 TRANSPORTATION NETWORK COMPANY.

14 (5) THE CUMULATIVE AMOUNT OF THE ANNUAL PERMIT FEES FOR
15 ALL TRANSPORTATION NETWORK COMPANIES OPERATING IN COLORADO
16 MUST NOT EXCEED TWO HUNDRED FIFTEEN THOUSAND DOLLARS UNLESS
17 THE GENERAL ASSEMBLY DETERMINES THAT AN INCREASED AGGREGATE
18 AMOUNT IS NECESSARY AND APPROPRIATE.

19 (6) THE COMMISSION SHALL DETERMINE THE FORM AND MANNER
20 OF APPLICATION FOR A TRANSPORTATION NETWORK COMPANY PERMIT.

21 (7) THE COMMISSION MAY TAKE ACTION AGAINST A
22 TRANSPORTATION NETWORK COMPANY AS SET FORTH IN SECTION
23 40-10.1-112, INCLUDING ISSUING AN ORDER TO CEASE AND DESIST AND
24 SUSPENDING, REVOKING, ALTERING, OR AMENDING A PERMIT ISSUED TO
25 THE TRANSPORTATION NETWORK COMPANY.

26 (8) (a) FOR A VIOLATION OF THIS PART 6 OR A FAILURE TO COMPLY
27 WITH A COMMISSION ORDER, DECISION, OR RULE ISSUED UNDER THIS PART

1 6. A TRANSPORTATION NETWORK COMPANY IS SUBJECT TO THE
2 COMMISSION'S AUTHORITY UNDER SECTIONS 40-7-101, 40-7-112,
3 40-7-113, 40-7-115, AND 40-7-116.

4 (b) THE COMMISSION SHALL NOT ASSESS A PENALTY AGAINST A
5 TRANSPORTATION NETWORK COMPANY DRIVER.

6 (9) THE COMMISSION MAY DENY AN APPLICATION UNDER THIS
7 PART 6 OR REFUSE TO RENEW THE PERMIT OF A TRANSPORTATION
8 NETWORK COMPANY BASED ON A DETERMINATION THAT THE
9 TRANSPORTATION NETWORK COMPANY HAS NOT SATISFIED A CIVIL
10 PENALTY ARISING OUT OF AN ADMINISTRATIVE OR ENFORCEMENT ACTION
11 BROUGHT BY THE COMMISSION.

12 **40-10.1-607. Fees - transportation network company fund -**
13 **creation.** THE COMMISSION SHALL TRANSMIT ALL FEES COLLECTED
14 PURSUANT TO THIS PART 6 TO THE STATE TREASURER, WHO SHALL CREDIT
15 THE FEES TO THE TRANSPORTATION NETWORK COMPANY FUND, WHICH IS
16 HEREBY CREATED IN THE STATE TREASURY. THE MONEYS IN THE FUND ARE
17 CONTINUOUSLY APPROPRIATED TO THE COMMISSION FOR THE PURPOSES
18 SET FORTH IN THIS PART 6. ALL INTEREST EARNED FROM THE INVESTMENT
19 OF MONEYS IN THE FUND IS CREDITED TO THE FUND. ANY MONEYS NOT
20 EXPENDED AT THE END OF THE FISCAL YEAR REMAIN IN THE FUND AND DO
21 NOT REVERT TO THE GENERAL FUND OR ANY OTHER FUND.

22 **40-10.1-608. Personal automobile insurance coverage rating.**
23 NOTHING IN THIS PART 6 PREVENTS AN INSURANCE CARRIER FROM RATING
24 A DRIVER'S PERSONAL AUTOMOBILE LIABILITY POLICY TO COVER ANY
25 DEMONSTRATED ADDITIONAL RISK POSED BY THE PERIOD OF TIME AFTER
26 THE DRIVER HAS LOGGED INTO A TRANSPORTATION NETWORK COMPANY'S
27 DIGITAL NETWORK BUT BEFORE THE DRIVER HAS ACCEPTED A

1 PREARRANGED RIDE.

2 **40-10.1-609. Rules.** THE COMMISSION MAY PROMULGATE RULES
3 CONSISTENT WITH THIS PART 6, INCLUDING RULES CONCERNING
4 ADMINISTRATION, FEES, SAFETY REQUIREMENTS, AND FINANCIAL
5 RESPONSIBILITY REQUIREMENTS.

6 **SECTION 6.** In Colorado Revised Statutes, 10-4-601, **amend**
7 **(10)** as follows:

8 **10-4-601. Definitions.** As used in this part 6, unless the context
9 **otherwise requires:**

10 **(10) (a) "Policy" means an automobile insurance policy providing**
11 **coverage for all or any of the following coverages: Collision,**
12 **comprehensive, bodily injury liability, property damage liability, medical**
13 **payments, and uninsured motorist coverage, or a combination automobile**
14 **policy providing bodily injury liability, property damage liability, medical**
15 **payments, uninsured motorist, and physical damage coverage, delivered**
16 **or issued for delivery in this state, insuring a single individual, or husband**
17 **and wife, or family members residing in the same household, as named**
18 **insured, and under which the insured vehicles therein designated are of**
19 **the following types only:**

20 **(a) (I) A motor vehicle of the private passenger or station wagon**
21 **type that is not used as a public or livery conveyance for passengers nor**
22 **rented to others pursuant to the terms of a motor vehicle rental agreement;**
23 **or**

24 **(b) (II) Any other four-wheel motor vehicle with a load capacity**
25 **of fifteen hundred pounds or less that is not used in the occupation,**
26 **profession, or business of the insured.**

27 **(b) AS USED IN THIS SUBSECTION (10), "LIVERY CONVEYANCE"**

1 INCLUDES THE SERVICES OFFERED BY A TRANSPORTATION NETWORK
2 COMPANY DRIVER, AS THAT TERM IS DEFINED IN SECTION 40-10.1-602 (4),
3 C.R.S., WHEN THE TRANSPORTATION NETWORK COMPANY DRIVER IS
4 ENGAGED IN A PREARRANGED RIDE, AS THAT TERM IS DEFINED IN SECTION
5 40-10.1-602 (2), C.R.S. "LIVERY CONVEYANCE" DOES NOT INCLUDE THE
6 PERIOD OF TIME DURING WHICH THE TRANSPORTATION NETWORK
7 COMPANY DRIVER IS LOGGED INTO THE TRANSPORTATION NETWORK
8 COMPANY'S DIGITAL NETWORK BUT IS NOT ENGAGED IN A PREARRANGED
9 RIDE.

10 **SECTION 7. Appropriation.** (1) In addition to any other
11 appropriation, there is hereby appropriated, out of any moneys in the
12 transportation network company fund created in section 40-10.1-607,
13 Colorado Revised Statutes, not otherwise appropriated, to the department
14 of regulatory agencies, for the fiscal year beginning July 1, 2014, the sum
15 of \$215,000, or so much thereof as may be necessary, for allocation to the
16 public utilities commission for the administrative costs related to the
17 implementation of this act.

18 (2) In addition to any other appropriation, there is hereby
19 appropriated to the department of law, for the fiscal year beginning July
20 1, 2014, the sum of \$9,108 and 0.1 FTE, or so much thereof as may be
21 necessary, for the provision of legal services for the public utilities
22 commission related to the implementation of this act. Said sum is from
23 reappropriated funds received from the department of regulatory agencies
24 out of the appropriation made in subsection (1) of this section.

25 **SECTION 8. Safety clause.** The general assembly hereby finds,
26 determines, and declares that this act is necessary for the immediate
27 preservation of the public peace, health, and safety.