

## JBC STAFF FISCAL ANALYSIS SENATE APPROPRIATIONS COMMITTEE

CONCERNING THE REGULATION OF TRANSPORTATION NETWORK COMPANIES, AND, IN CONNECTION THEREWITH, REQUIRING TRANSPORTATION NETWORK COMPANIES TO CARRY LIABILITY INSURANCE, CONDUCT BACKGROUND CHECKS ON TRANSPORTATION NETWORK COMPANY DRIVERS, INSPECT TRANSPORTATION NETWORK COMPANY VEHICLES, AND OBTAIN A PERMIT FROM THE PUBLIC UTILITIES COMMISSION.

Prime Sponsors: Sens. Jahn and Harvey  
Reps. Pabon and Szabo

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Date Prepared: February 13, 2014

### **Fiscal Impact of Bill as Amended to Date**

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 02/04/14.

	<b>No Change:</b> Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
	<b>Update:</b> Fiscal impact has changed due to <i>new information or technical issues</i>
<b>XXX</b>	<b>Update:</b> Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	<b>Non-Concurrence:</b> JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

The Senate Business, Labor, & Technology Committee Report (02/11/14) amended the bill to exclude Transportation Network Companies from being considered livery conveyances for purposes of insurance coverage. While the Committee Report does not affect the state expenditures for the Public Utilities Commission (PUC) that are detailed in the attached Fiscal Note, Department of Regulatory Agencies staff have indicated that the Committee Report may increase the workload for the Division of Insurance. At this time, staff does not have enough information to verify or quantify any workload impact to the Division of Insurance.

### **Amendments in This Packet for Consideration by Appropriations Committee**

<b>Amendment</b>	<b>Description</b>
J.001	Staff-prepared appropriation amendment
L.011/J.002	Bill Sponsor amendment - changes fiscal impact <i>and</i> appropriation

### **Current Appropriations Clause in Bill**

The bill requires but does not contain an appropriation clause.

**Description of Amendments in This Packet**

**J.001** Staff has prepared amendment **J.001** (attached) to add a provision appropriating \$168,162 total funds to the PUC, including \$167,512 General Fund, \$650 cash funds from the Transportation Network Company Account in the PUC Motor Carrier Fund, and 2.5 FTE, and reappropriates \$9,108 and 0.1 FTE to the Department of Law for 100 legal service hours provided to the PUC for rulemaking for FY 2014-15.

**L.011 and J.002**

Bill Sponsor amendment **L.011** (attached) increases the initial one-year permitting fee to \$107,500 for the two Transportation Network Companies already operating in Colorado. If more than two Transportation Network Companies apply for permits, the amendment caps the total fees collected from all Transportation Network Companies at \$215,000, which equals anticipated costs to the PUC, and requires a partial refund to the first two companies. Ultimately, the amendment makes fees equal for all Transportation Network Companies that choose to apply for permitting. The Amendment requires the General Assembly to calculate the administration costs and required FTE for the PUC to regulate Transportation Network Companies. The Commission is directed to set permit fees after the first year to an amount to cover administrative costs as determined by the General Assembly. Staff has prepared amendment **J.002** (attached) to add a provision appropriating \$215,000 cash fund from the Transportation Network Company Fund, created in Section 40-10.1-607, C.R.S., and 2.5 FTE, and reappropriates \$9,108 and 0.1 FTE to the Department of Law for 100 legal service hours provided to the PUC for rulemaking.

**If the Committee adopts L.011 it should also adopt J.002 and not J.001.**

**Points to Consider***General Fund Impacts*

The general appropriations bill for FY 2014-15 has not yet been introduced. This bill requires a General Fund appropriation of \$167,512 for FY 2014-15, reducing the amount of General Fund available for other existing programs.