

Second Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO

INTRODUCED

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

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.

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 applies to the reengrossed version of this bill will be available at

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.

[http://www.leg.state.co.us/bills/summaries.](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 COVERAGE IN THE AMOUNT OF ONE MILLION DOLLARS
19 PER OCCURRENCE FOR INCIDENTS INVOLVING A DRIVER DURING A
20 PREARRANGED RIDE.

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

1 COMPANY'S DIGITAL NETWORK.

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

5 **40-10.1-605. Operational requirements.** (1) THE FOLLOWING
6 REQUIREMENTS APPLY TO THE PROVISION OF SERVICES:

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

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

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

21 (I) THE POINT OF ORIGIN AND DESTINATION OF THE PREARRANGED
22 RIDE;

23 (II) THE TOTAL DURATION AND DISTANCE OF THE PREARRANGED
24 RIDE; AND

25 (III) THE TOTAL FARE PAID, INCLUDING THE BASE FARE AND ANY
26 ADDITIONAL CHARGES INCURRED FOR DISTANCE TRAVELED OR DURATION
27 OF THE PREARRANGED RIDE.

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

- 5 (I) A VALID DRIVER'S LICENSE;
- 6 (II) PROOF OF AUTOMOBILE INSURANCE; AND
- 7 (III) PROOF OF A COLORADO VEHICLE REGISTRATION.

8 (e) A DRIVER SHALL NOT OFFER OR PROVIDE TRANSPORTATION
9 NETWORK COMPANY SERVICES FOR MORE THAN TWELVE CONSECUTIVE
10 HOURS.

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

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

- 25 (A) FOOT BRAKES;
- 26 (B) EMERGENCY BRAKES;
- 27 (C) STEERING MECHANISM;

- 1 (D) WINDSHIELD;
- 2 (E) REAR WINDOW AND OTHER GLASS;
- 3 (F) WINDSHIELD WIPERS;
- 4 (G) HEADLIGHTS;
- 5 (H) TAIL LIGHTS;
- 6 (I) TURN INDICATOR LIGHTS;
- 7 (J) STOP LIGHTS;
- 8 (K) FRONT SEAT ADJUSTMENT MECHANISM;
- 9 (L) THE OPENING, CLOSING, AND LOCKING CAPABILITY OF THE
- 10 DOORS;
- 11 (M) HORN;
- 12 (N) SPEEDOMETER;
- 13 (O) BUMPERS;
- 14 (P) MUFFLER AND EXHAUST SYSTEM;
- 15 (Q) TIRE CONDITIONS, INCLUDING TREAD DEPTH;
- 16 (R) INTERIOR AND EXTERIOR REAR-VIEW MIRRORS; AND
- 17 (S) SAFETY BELTS.

18 (II) THE COMMISSION MAY ALSO CONDUCT INSPECTIONS OF
19 PERSONAL VEHICLES.

- 20 (h) A PERSONAL VEHICLE MUST:
- 21 (I) HAVE AT LEAST FOUR DOORS; AND
- 22 (II) BE DESIGNED TO CARRY NO MORE THAN EIGHT PASSENGERS,
- 23 INCLUDING THE DRIVER.

24 (2) A TRANSPORTATION NETWORK COMPANY SHALL RETAIN TRUE
25 AND ACCURATE INSPECTION RECORDS FOR AT LEAST SIX MONTHS AFTER
26 AN INSPECTION WAS CONDUCTED FOR EACH PERSONAL VEHICLE USED BY
27 A DRIVER.

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

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

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

11 (b) (I) A PERSON WHO HAS BEEN CONVICTED OF OR PLED GUILTY
12 OR NOLO CONTENDERE TO DRIVING UNDER THE INFLUENCE OF DRUGS OR
13 ALCOHOL IN THE PREVIOUS SEVEN YEARS BEFORE APPLYING TO BECOME A
14 TRANSPORTATION NETWORK COMPANY DRIVER SHALL NOT SERVE AS A
15 DRIVER. A PERSON WHO HAS EVER BEEN CONVICTED OF OR PLED GUILTY
16 OR NOLO CONTENDERE TO ANY OF THE FOLLOWING FELONY OFFENSES
17 SHALL NOT SERVE AS A DRIVER:

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

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

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

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

26 (II) A PERSON WHO HAS BEEN CONVICTED OF A COMPARABLE
27 OFFENSE TO THE OFFENSES LISTED IN SUBPARAGRAPH (I) OF THIS

1 PARAGRAPH (b) IN ANOTHER STATE OR IN THE UNITED STATES SHALL NOT
2 SERVE AS A DRIVER.

3 (III) A TRANSPORTATION NETWORK COMPANY OR A THIRD PARTY
4 SHALL RETAIN TRUE AND ACCURATE RESULTS OF THE CRIMINAL HISTORY
5 RECORD CHECK FOR EACH DRIVER THAT PROVIDES SERVICES FOR THE
6 TRANSPORTATION NETWORK COMPANY FOR AT LEAST SIX MONTHS AFTER
7 THE CRIMINAL HISTORY RECORD CHECK WAS CONDUCTED.

8 (4) (a) BEFORE PERMITTING AN INDIVIDUAL TO ACT AS A DRIVER
9 ON ITS DIGITAL NETWORK, A TRANSPORTATION NETWORK COMPANY SHALL
10 OBTAIN AND REVIEW A DRIVING HISTORY RESEARCH REPORT FOR THE
11 INDIVIDUAL.

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

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

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

24 (c) A TRANSPORTATION NETWORK COMPANY SHALL RETAIN TRUE
25 AND ACCURATE RESULTS OF THE DRIVING HISTORY RESEARCH REPORT FOR
26 EACH DRIVER THAT PROVIDES SERVICES FOR THE TRANSPORTATION
27 NETWORK COMPANY FOR AT LEAST SIX MONTHS.

1 (5) IF A TRANSPORTATION NETWORK COMPANY RIDER FILES A
2 COMPLAINT WITH THE COMMISSION AGAINST A TRANSPORTATION
3 NETWORK COMPANY OR DRIVER, THE COMMISSION MAY INSPECT THE
4 TRANSPORTATION NETWORK COMPANY'S RECORDS AS REASONABLY
5 NECESSARY TO INVESTIGATE AND RESOLVE THE COMPLAINT.

6 **40-10.1-606. Permit required for transportation network**
7 **companies - penalty for violation - rules.** (1) A PERSON SHALL NOT
8 OPERATE A TRANSPORTATION NETWORK COMPANY IN COLORADO
9 WITHOUT FIRST HAVING OBTAINED A PERMIT FROM THE COMMISSION.

10 (2) THE COMMISSION SHALL ISSUE A PERMIT TO EACH
11 TRANSPORTATION NETWORK COMPANY THAT MEETS THE REQUIREMENTS
12 OF THIS PART 6 AND PAYS A PERMIT FEE OF THREE HUNDRED TWENTY-FIVE
13 DOLLARS TO THE COMMISSION. THE PERMIT IS VALID FOR ONE YEAR.

14 (3) (a) THE COMMISSION SHALL DETERMINE THE FORM AND
15 MANNER OF APPLICATION FOR A TRANSPORTATION NETWORK COMPANY
16 PERMIT.

17 (b) THE COMMISSION SHALL SET AND ADJUST, BY RULE, THE
18 PERMIT APPLICATION FEE AND MAY ADJUST BY RULE THE ANNUAL PERMIT
19 FEE TO COVER THE COMMISSION'S DIRECT AND INDIRECT COSTS
20 ASSOCIATED WITH THIS PART 6.

21 (4) 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 (5) (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 A PENALTY NOT
2 TO EXCEED TWO THOUSAND DOLLARS FOR EACH OFFENSE.

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

5 **40-10.1-607. Fees - transportation network company account**
6 **- creation.** THE COMMISSION SHALL TRANSMIT ALL FEES COLLECTED
7 PURSUANT TO THIS PART 6 TO THE STATE TREASURER, WHO SHALL CREDIT
8 THE FEES TO THE TRANSPORTATION NETWORK COMPANY ACCOUNT,
9 HEREBY CREATED IN THE PUBLIC UTILITIES COMMISSION MOTOR CARRIER
10 FUND, CREATED IN SECTION 40-2-110.5 (6). THE MONEYS IN THE ACCOUNT
11 ARE CONTINUOUSLY APPROPRIATED TO THE COMMISSION FOR THE
12 PURPOSES SET FORTH IN THIS PART 6. ALL INTEREST EARNED FROM THE
13 INVESTMENT OF MONEYS IN THE ACCOUNT IS CREDITED TO THE ACCOUNT.
14 ANY MONEYS NOT EXPENDED AT THE END OF THE FISCAL YEAR REMAIN IN
15 THE ACCOUNT AND DO NOT REVERT TO THE GENERAL FUND OR ANY OTHER
16 FUND.

17 **40-10.1-608. Rules.** THE COMMISSION MAY PROMULGATE RULES
18 CONSISTENT WITH THIS PART 6, INCLUDING RULES CONCERNING
19 ADMINISTRATION, FEES, SAFETY REQUIREMENTS, AND FINANCIAL
20 RESPONSIBILITY REQUIREMENTS.

21 **SECTION 6. Safety clause.** The general assembly hereby finds,
22 determines, and declares that this act is necessary for the immediate
23 preservation of the public peace, health, and safety.