

**Second Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 14-0687.02 Jennifer Berman x3286

SENATE BILL 14-125

SENATE SPONSORSHIP

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Senate Committees

Business, Labor, & Technology
Appropriations

House Committees

Transportation & Energy
Finance
Appropriations

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
3rd Reading Unamended
March 10, 2014

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, 40-7-112, **amend** (1)
2 (a) as follows:

3 **40-7-112. Applicability of civil penalties.** (1) (a) A person who
4 operates or offers to operate as a motor carrier as defined in section
5 40-10.1-101; ~~or~~ a motor carrier, motor private carrier, broker, freight
6 forwarder, leasing company, or other person required to register under
7 section 40-10.5-102; OR A TRANSPORTATION NETWORK COMPANY
8 REQUIRED TO OBTAIN A PERMIT UNDER SECTION 40-10.1-606 is subject to
9 civil penalties as provided in this section and sections 40-7-113 to
10 40-7-116, in addition to any other sanctions that may be imposed pursuant
11 to law.

12 **SECTION 3.** In Colorado Revised Statutes, 40-10.1-101, **amend**
13 (6) and (10) as follows:

14 **40-10.1-101. Definitions.** As used in this article, unless the
15 context otherwise requires:

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

23 (10) "Motor carrier" means any person owning, controlling,
24 operating, or managing ~~any~~ A motor vehicle that provides transportation
25 in intrastate commerce pursuant to this article; EXCEPT THAT THE TERM
26 DOES NOT INCLUDE A TRANSPORTATION NETWORK COMPANY, AS DEFINED
27 IN SECTION 40-10.1-602 (3), OR A TRANSPORTATION NETWORK COMPANY

1 DRIVER, AS DEFINED IN SECTION 40-10.1-602 (4).

2 **SECTION 4.** In Colorado Revised Statutes, 40-10.1-103, **add** (3)
3 as follows:

4 **40-10.1-103. Subject to control by commission.**

5 (3) TRANSPORTATION NETWORK COMPANIES, AS DEFINED IN SECTION
6 40-10.1-602 (3), ARE NOT COMMON CARRIERS, CONTRACT CARRIERS, OR
7 MOTOR CARRIERS UNDER THIS TITLE, BUT ARE DECLARED TO BE AFFECTED
8 WITH A PUBLIC INTEREST AND ARE SUBJECT TO REGULATION TO THE
9 EXTENT PROVIDED IN PART 6 OF THIS ARTICLE.

10 **SECTION 5.** In Colorado Revised Statutes, **add** 40-10.1-117 as
11 follows:

12 **40-10.1-117. Limited regulation of transportation network**
13 **companies.** NOTWITHSTANDING ANY OTHER PROVISION OF LAW,
14 TRANSPORTATION NETWORK COMPANIES, AS DEFINED IN SECTION
15 40-10.1-602 (3), ARE GOVERNED EXCLUSIVELY UNDER PART 6 OF THIS
16 ARTICLE.

17 **SECTION 6.** In Colorado Revised Statutes, **add** part 6 to article
18 10.1 of title 40 as follows:

19 PART 6

20 TRANSPORTATION NETWORK COMPANIES

21 **40-10.1-601. Short title.** THIS ARTICLE SHALL BE KNOWN AND
22 MAY BE CITED AS THE "TRANSPORTATION NETWORK COMPANY ACT".

23 **40-10.1-602. Definitions.** AS USED IN THIS PART 6, UNLESS THE
24 CONTEXT OTHERWISE REQUIRES:

25 (1) "PERSONAL VEHICLE" MEANS A VEHICLE THAT IS USED BY A
26 TRANSPORTATION NETWORK COMPANY DRIVER IN CONNECTION WITH
27 PROVIDING SERVICES FOR A TRANSPORTATION NETWORK COMPANY THAT

1 MEETS THE VEHICLE CRITERIA SET FORTH IN THIS PART 6.

2 (2) "PREARRANGED RIDE" MEANS A PERIOD OF TIME THAT BEGINS
3 WHEN A ■ DRIVER ACCEPTS A REQUESTED RIDE THROUGH A DIGITAL
4 NETWORK, CONTINUES WHILE THE DRIVER TRANSPORTS THE RIDER IN A
5 PERSONAL VEHICLE, AND ENDS WHEN THE RIDER DEPARTS FROM THE
6 PERSONAL VEHICLE.

7 (3) "TRANSPORTATION NETWORK COMPANY" MEANS A
8 CORPORATION, PARTNERSHIP, SOLE PROPRIETORSHIP, OR OTHER ENTITY,
9 OPERATING IN COLORADO, THAT USES A DIGITAL NETWORK TO CONNECT
10 RIDERS TO ■ DRIVERS FOR THE PURPOSE OF PROVIDING TRANSPORTATION.
11 A TRANSPORTATION NETWORK COMPANY DOES NOT PROVIDE TAXI
12 SERVICE, TRANSPORTATION SERVICE ARRANGED THROUGH A
13 TRANSPORTATION BROKER, RIDESHARING ARRANGEMENTS, AS DEFINED IN
14 SECTION 39-22-509 (1) (a) (II), C.R.S., OR ANY TRANSPORTATION SERVICE
15 OVER FIXED ROUTES AT REGULAR INTERVALS. A TRANSPORTATION
16 NETWORK COMPANY IS NOT DEEMED TO OWN, CONTROL, OPERATE, OR
17 MANAGE THE PERSONAL VEHICLES USED BY TRANSPORTATION NETWORK
18 COMPANY DRIVERS. A TRANSPORTATION NETWORK COMPANY DOES NOT
19 INCLUDE A POLITICAL SUBDIVISION OR OTHER ENTITY EXEMPTED FROM
20 FEDERAL INCOME TAX UNDER SECTION 115 OF THE FEDERAL "INTERNAL
21 REVENUE CODE OF 1986", AS AMENDED.

22 (4) "TRANSPORTATION NETWORK COMPANY DRIVER" OR "DRIVER"
23 MEANS AN INDIVIDUAL WHO USES HIS OR HER PERSONAL VEHICLE TO
24 PROVIDE SERVICES FOR RIDERS MATCHED THROUGH A TRANSPORTATION
25 NETWORK COMPANY'S DIGITAL NETWORK. A ■ DRIVER NEED NOT BE AN
26 EMPLOYEE OF A TRANSPORTATION NETWORK COMPANY.

27 (5) "TRANSPORTATION NETWORK COMPANY RIDER" OR "RIDER"

1 MEANS A PASSENGER IN A TRANSPORTATION NETWORK COMPANY VEHICLE
2 FOR WHOM TRANSPORT IS PROVIDED, INCLUDING:

3 (a) AN INDIVIDUAL WHO USES A TRANSPORTATION NETWORK
4 COMPANY'S ONLINE APPLICATION OR DIGITAL NETWORK TO CONNECT WITH
5 A DRIVER TO OBTAIN SERVICES IN THE DRIVER'S VEHICLE FOR THE
6 INDIVIDUAL AND ANYONE IN THE INDIVIDUAL'S PARTY; OR

7 (b) ANYONE FOR WHOM ANOTHER INDIVIDUAL USES A
8 TRANSPORTATION NETWORK COMPANY'S ONLINE APPLICATION OR DIGITAL
9 NETWORK TO CONNECT WITH A DRIVER TO OBTAIN SERVICES IN THE
10 DRIVER'S VEHICLE.

11 (6) "TRANSPORTATION NETWORK COMPANY SERVICES" OR
12 "SERVICES" MEANS THE PROVISION OF TRANSPORTATION BY A DRIVER TO
13 A RIDER WITH WHOM THE DRIVER IS MATCHED THROUGH A
14 TRANSPORTATION NETWORK COMPANY. THE TERM DOES NOT INCLUDE
15 SERVICES PROVIDED EITHER DIRECTLY BY OR UNDER CONTRACT WITH A
16 POLITICAL SUBDIVISION OR OTHER ENTITY EXEMPT FROM FEDERAL INCOME
17 TAX UNDER SECTION 115 OF THE FEDERAL "INTERNAL REVENUE CODE OF
18 1986", AS AMENDED.

19 **40-10.1-603. Limited regulation.** NOTWITHSTANDING ANY OTHER
20 PROVISION OF LAW, TRANSPORTATION NETWORK COMPANIES ARE
21 GOVERNED EXCLUSIVELY BY THIS PART 6. A TRANSPORTATION NETWORK
22 COMPANY IS NOT SUBJECT TO THE COMMISSION'S RATE, ENTRY,
23 OPERATIONAL, OR COMMON CARRIER REQUIREMENTS, OTHER THAN THOSE
24 REQUIREMENTS EXPRESSLY SET FORTH IN THIS PART 6.

25 **40-10.1-604. Registration - financial responsibility of**
26 **transportation network companies - insurance.** A
27 TRANSPORTATION NETWORK COMPANY SHALL COMPLY WITH THE FILING

1 REQUIREMENTS OF PART 3 AND THE REGISTERED AGENT REQUIREMENT OF
2 PART 7 OF ARTICLE 90 OF TITLE 7, C.R.S.

3 [REDACTED]
4 (2) IF A TRANSPORTATION NETWORK COMPANY'S INSURER MAKES
5 A PAYMENT FOR A CLAIM COVERED UNDER COMPREHENSIVE COVERAGE OR
6 COLLISION COVERAGE, THE TRANSPORTATION NETWORK COMPANY SHALL
7 CAUSE ITS INSURER TO ISSUE THE PAYMENT DIRECTLY TO THE BUSINESS
8 REPAIRING THE VEHICLE OR JOINTLY TO THE OWNER OF THE VEHICLE AND
9 THE PRIMARY LIENHOLDER ON THE COVERED VEHICLE. THE COMMISSION
10 SHALL NOT ASSESS ANY FINES AS A RESULT OF A VIOLATION OF THIS
11 SUBSECTION (5).

12 **40-10.1-605. Operational requirements.** (1) THE FOLLOWING
13 REQUIREMENTS APPLY TO THE PROVISION OF SERVICES:

14 (a) A DRIVER SHALL NOT PROVIDE SERVICES UNLESS A
15 TRANSPORTATION NETWORK COMPANY HAS MATCHED THE DRIVER TO A
16 RIDER THROUGH A DIGITAL NETWORK. A DRIVER SHALL NOT SOLICIT OR
17 ACCEPT THE ON-DEMAND SUMMONING OF A RIDE, OTHERWISE KNOWN AS
18 A "STREET HAIL".

19 (b) A TRANSPORTATION NETWORK COMPANY SHALL MAKE
20 AVAILABLE TO PROSPECTIVE RIDERS AND DRIVERS THE METHOD BY WHICH
21 THE TRANSPORTATION NETWORK COMPANY CALCULATES FARES OR THE
22 APPLICABLE RATES BEING CHARGED AND AN OPTION TO RECEIVE AN
23 ESTIMATED FARE.

24 (c) UPON COMPLETION OF A PREARRANGED RIDE, A
25 TRANSPORTATION NETWORK COMPANY SHALL TRANSMIT TO THE RIDER AN
26 ELECTRONIC RECEIPT, EITHER BY ELECTRONIC MAIL OR VIA TEXT MESSAGE,
27 DOCUMENTING:

1 (I) THE POINT OF ORIGIN AND DESTINATION OF THE PREARRANGED
2 RIDE;

3 (II) THE TOTAL DURATION AND DISTANCE OF THE PREARRANGED
4 RIDE; ==

5 (III) THE TOTAL FARE PAID, INCLUDING THE BASE FARE AND ANY
6 ADDITIONAL CHARGES INCURRED FOR DISTANCE TRAVELED OR DURATION
7 OF THE PREARRANGED RIDE; AND

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

9 (d) BEFORE PERMITTING A PERSON TO ACT AS A ■ DRIVER ON ITS
10 DIGITAL NETWORK, A TRANSPORTATION NETWORK COMPANY SHALL
11 CONFIRM THAT THE PERSON IS AT LEAST TWENTY-ONE YEARS OF AGE AND
12 POSSESSES:

13 (I) A VALID DRIVER'S LICENSE;

14 (II) PROOF OF AUTOMOBILE INSURANCE; ■

15 (III) PROOF OF A COLORADO VEHICLE REGISTRATION; AND

16 (IV) WITHIN NINETY DAYS OF THE EFFECTIVE DATE OF THIS PART
17 6 AND PURSUANT TO COMMISSION RULES, PROOF THAT THE PERSON IS
18 MEDICALLY FIT TO DRIVE.

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

22 (f) A TRANSPORTATION NETWORK COMPANY SHALL IMPLEMENT AN
23 INTOXICATING SUBSTANCE POLICY FOR DRIVERS THAT DISALLOWS ANY
24 AMOUNT OF INTOXICATION OF THE DRIVER WHILE PROVIDING SERVICES.
25 THE TRANSPORTATION NETWORK COMPANY SHALL INCLUDE ON ITS WEB
26 SITE AND MOBILE DEVICE APPLICATION SOFTWARE A NOTICE CONCERNING
27 THE TRANSPORTATION NETWORK COMPANY'S INTOXICATING SUBSTANCE

1 POLICY.

2 (g) (I) A TRANSPORTATION NETWORK COMPANY SHALL ■■■ HAVE
3 A CERTIFIED MECHANIC CONDUCT A SAFETY INSPECTION OF A PROSPECTIVE
4 DRIVER'S VEHICLE BEFORE IT IS APPROVED FOR USE AS A PERSONAL
5 VEHICLE AND SHALL HAVE PERIODIC INSPECTIONS OF PERSONAL VEHICLES
6 CONDUCTED BY A CERTIFIED MECHANIC THEREAFTER, AT INTERVALS OF AT
7 LEAST ONE INSPECTION PER YEAR. A SAFETY INSPECTION SHALL INCLUDE
8 AN INSPECTION OF:

- 9 (A) FOOT BRAKES;
- 10 (B) EMERGENCY BRAKES;
- 11 (C) STEERING MECHANISM;
- 12 (D) WINDSHIELD;
- 13 (E) REAR WINDOW AND OTHER GLASS;
- 14 (F) WINDSHIELD WIPERS;
- 15 (G) HEADLIGHTS;
- 16 (H) TAIL LIGHTS;
- 17 (I) TURN INDICATOR LIGHTS;
- 18 (J) STOP LIGHTS;
- 19 (K) FRONT SEAT ADJUSTMENT MECHANISM;
- 20 (L) THE OPENING, CLOSING, AND LOCKING CAPABILITY OF THE
21 DOORS;
- 22 (M) HORN;
- 23 (N) SPEEDOMETER;
- 24 (O) BUMPERS;
- 25 (P) MUFFLER AND EXHAUST SYSTEM;
- 26 (Q) TIRE CONDITIONS, INCLUDING TREAD DEPTH;
- 27 (R) INTERIOR AND EXTERIOR REAR-VIEW MIRRORS; AND

1 (S) SAFETY BELTS.

2 (II) THE COMMISSION MAY ALSO CONDUCT INSPECTIONS OF
3 PERSONAL VEHICLES.

4 (h) A PERSONAL VEHICLE MUST:

5 (I) HAVE AT LEAST FOUR DOORS; AND

6 (II) BE DESIGNED TO CARRY NO MORE THAN EIGHT PASSENGERS,
7 INCLUDING THE DRIVER.

8 (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 WHILE OPERATING ON THE TRANSPORTATION NETWORK
12 COMPANY'S DIGITAL NETWORK, YOUR PERSONAL
13 AUTOMOBILE INSURANCE POLICY MIGHT NOT AFFORD
14 LIABILITY COVERAGE, DEPENDING ON THE POLICY'S
15 TERMS.

16 (j) (I) A TRANSPORTATION NETWORK COMPANY SHALL MAKE THE
17 FOLLOWING DISCLOSURE TO A PROSPECTIVE DRIVER IN THE PROSPECTIVE
18 DRIVER'S TERMS OF SERVICE:

19 IF THE VEHICLE THAT YOU PLAN TO USE TO PROVIDE
20 TRANSPORTATION NETWORK COMPANY SERVICES FOR
21 OUR TRANSPORTATION NETWORK COMPANY HAS A LIEN
22 AGAINST IT, YOU MUST NOTIFY THE LIENHOLDER THAT
23 YOU WILL BE USING THE VEHICLE FOR TRANSPORTATION
24 SERVICES THAT MAY VIOLATE THE TERMS OF YOUR
25 CONTRACT WITH THE LIENHOLDER.

26 (II) THE DISCLOSURE SET FORTH IN SUBPARAGRAPH (I) OF THIS
27 PARAGRAPH (j) MUST BE PLACED PROMINENTLY IN THE PROSPECTIVE

1 DRIVER'S WRITTEN TERMS OF SERVICE, AND THE PROSPECTIVE DRIVER
2 MUST ACKNOWLEDGE THE TERMS OF SERVICE ELECTRONICALLY OR BY
3 SIGNATURE.

4 (k) A TRANSPORTATION NETWORK COMPANY SHALL MAKE THE
5 FOLLOWING DISCLOSURE TO A RIDER:

6 WHILE RIDING AS A PASSENGER IN A TRANSPORTATION
7 NETWORK COMPANY DRIVER'S PERSONAL VEHICLE, A
8 RIDER IS INSURED UNDER THE TERMS OF THE
9 TRANSPORTATION NETWORK COMPANY'S LIABILITY
10 POLICY.

11 (l) A TRANSPORTATION NETWORK COMPANY SHALL MAKE
12 AVAILABLE TO A RIDER A CUSTOMER SUPPORT TELEPHONE NUMBER ON ITS
13 DIGITAL NETWORK OR WEB SITE FOR RIDER INQUIRIES.

14 (m) A TRANSPORTATION NETWORK COMPANY SHALL DISCLOSE TO
15 A RIDER THE INFORMATION SET FORTH IN PARAGRAPH (i) IN THIS
16 SUBSECTION (1) ABOUT THE TRANSPORTATION NETWORK COMPANY'S
17 LIABILITY POLICY AND THE DRIVER'S PERSONAL AUTOMOBILE INSURANCE
18 POLICY.

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

21 (o) (I) A TRANSPORTATION NETWORK COMPANY SHALL NOT
22 DISCLOSE TO A THIRD PARTY ANY PERSONALLY IDENTIFIABLE
23 INFORMATION CONCERNING A USER OF THE TRANSPORTATION NETWORK
24 COMPANY'S DIGITAL NETWORK UNLESS:

25 (A) THE TRANSPORTATION NETWORK COMPANY OBTAINS THE
26 USER'S CONSENT TO DISCLOSE PERSONALLY IDENTIFIABLE INFORMATION;

27 (B) DISCLOSURE IS NECESSARY TO COMPLY WITH A LEGAL

1 OBLIGATION; OR

2 (C) DISCLOSURE IS NECESSARY TO PROTECT OR DEFEND THE TERMS
3 AND CONDITIONS FOR USE OF THE SERVICE OR TO INVESTIGATE VIOLATIONS
4 OF THE TERMS AND CONDITIONS.

5 (II) THE LIMITATION ON DISCLOSURE DOES NOT APPLY TO THE
6 DISCLOSURE OF AGGREGATED USER DATA AND OTHER INFORMATION
7 ABOUT THE USER THAT IS NOT PERSONALLY IDENTIFIABLE.

8 (p) ANY TAXICAB COMPANY OR SHUTTLE COMPANY AUTHORIZED
9 BY THE COMMISSION UNDER THIS ARTICLE MAY CONVERT TO A
10 TRANSPORTATION NETWORK COMPANY MODEL OR MAY SET UP A
11 SUBSIDIARY OR AFFILIATE TRANSPORTATION NETWORK COMPANY. IN
12 CONVERTING TO A TRANSPORTATION NETWORK COMPANY MODEL OR
13 SETTING UP A TRANSPORTATION NETWORK COMPANY SUBSIDIARY OR
14 AFFILIATE, A TAXICAB COMPANY OR SHUTTLE COMPANY AUTHORIZED BY
15 THE COMMISSION UNDER THIS ARTICLE MAY COMPLETELY OR PARTIALLY
16 SUSPEND ITS CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY ISSUED
17 UNDER SECTION 40-10.1-201. DURING THE PERIOD OF SUSPENSION OF ITS
18 CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY, A TAXICAB
19 COMPANY, SHUTTLE COMPANY, OR A SUBSIDIARY OR AFFILIATE OF A
20 TAXICAB COMPANY OR SHUTTLE COMPANY IS EXEMPT FROM TAXI OR
21 SHUTTLE STANDARDS UNDER THIS ARTICLE, THE STANDARDS CONCERNING
22 THE REGULATION OF RATES AND CHARGES UNDER ARTICLE 3 OF THIS TITLE,
23 AND ANY COMMISSION RULES REGARDING COMMON CARRIERS
24 PROMULGATED UNDER THIS ARTICLE OR ARTICLE 3 OF THIS TITLE.

25 (q) EACH TRANSPORTATION NETWORK COMPANY SHALL REQUIRE
26 THAT EACH TRANSPORTATION NETWORK COMPANY VEHICLE PROVIDING
27 TRANSPORTATION NETWORK COMPANY SERVICES DISPLAY AN EXTERIOR

1 MARKING THAT IDENTIFIES THE TRANSPORTATION NETWORK COMPANY
2 VEHICLE AS A VEHICLE FOR HIRE.

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

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

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

15 (II) IF A PRIVATELY ADMINISTERED NATIONAL CRIMINAL HISTORY
16 RECORD CHECK IS USED, PROVIDE A COPY OF THE CRIMINAL HISTORY
17 RECORD CHECK TO THE TRANSPORTATION NETWORK COMPANY.

18 (b) A DRIVER SHALL OBTAIN A CRIMINAL HISTORY RECORD CHECK
19 IN ACCORDANCE WITH SUBPARAGRAPH (I) OF PARAGRAPH (a) OF THIS
20 SUBSECTION (3) EVERY FIVE YEARS WHILE SERVING AS A DRIVER.

21 (c) (I) A PERSON WHO HAS BEEN CONVICTED OF OR PLED GUILTY
22 OR NOLO CONTENDERE TO DRIVING UNDER THE INFLUENCE OF DRUGS OR
23 ALCOHOL IN THE PREVIOUS SEVEN YEARS BEFORE APPLYING TO BECOME A
24 DRIVER SHALL NOT SERVE AS A DRIVER. IF THE CRIMINAL HISTORY
25 RECORD CHECK REVEALS THAT THE PERSON HAS EVER BEEN CONVICTED
26 OF OR PLED GUILTY OR NOLO CONTENDERE TO ANY OF THE FOLLOWING
27 FELONY OFFENSES, THE PERSON SHALL NOT SERVE AS A DRIVER:

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

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

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

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

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

13 (III) A TRANSPORTATION NETWORK COMPANY OR A THIRD PARTY
14 SHALL RETAIN TRUE AND ACCURATE RESULTS OF THE CRIMINAL HISTORY
15 RECORD CHECK FOR EACH DRIVER THAT PROVIDES SERVICES FOR THE
16 TRANSPORTATION NETWORK COMPANY FOR AT LEAST FIVE YEARS AFTER
17 THE CRIMINAL HISTORY RECORD CHECK WAS CONDUCTED.

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

21 (4) (a) BEFORE PERMITTING AN INDIVIDUAL TO ACT AS A DRIVER
22 ON ITS DIGITAL NETWORK, A TRANSPORTATION NETWORK COMPANY SHALL
23 OBTAIN AND REVIEW A DRIVING HISTORY RESEARCH REPORT FOR THE
24 INDIVIDUAL.

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

27 (I) MORE THAN THREE MOVING VIOLATIONS IN THE THREE-YEAR

1 PERIOD PRECEDING THE INDIVIDUAL'S APPLICATION TO SERVE AS A DRIVER;

2 OR

3 (II) A MAJOR MOVING VIOLATION IN THE THREE-YEAR PERIOD
4 PRECEDING THE INDIVIDUAL'S APPLICATION TO SERVE AS A DRIVER,
5 WHETHER COMMITTED IN THIS STATE, ANOTHER STATE, OR THE UNITED
6 STATES, INCLUDING VEHICULAR ELUDING, AS DESCRIBED IN SECTION
7 18-9-116.5, C.R.S., RECKLESS DRIVING, AS DESCRIBED IN SECTION
8 42-4-1401, C.R.S., AND DRIVING UNDER RESTRAINT, AS DESCRIBED IN
9 SECTION 42-2-138, C.R.S.

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

14 (5) IF ANY PERSON FILES A COMPLAINT WITH THE COMMISSION
15 AGAINST A TRANSPORTATION NETWORK COMPANY OR DRIVER, THE
16 COMMISSION MAY INSPECT THE TRANSPORTATION NETWORK COMPANY'S
17 RECORDS AS REASONABLY NECESSARY TO INVESTIGATE AND RESOLVE THE
18 COMPLAINT.

19 (6) (a) A TRANSPORTATION NETWORK COMPANY SHALL PROVIDE
20 SERVICES TO THE PUBLIC IN A NONDISCRIMINATORY MANNER, REGARDLESS
21 OF GEOGRAPHIC LOCATION OF THE DEPARTURE POINT OR DESTINATION,
22 RACE, ETHNICITY, GENDER, SEXUAL ORIENTATION, DISABILITY, OR OTHER
23 POTENTIALLY DISCRIMINATORY FACTOR THAT COULD PREVENT
24 CUSTOMERS FROM ACCESSING TRANSPORTATION. A DRIVER SHALL NOT
25 REFUSE TO TRANSPORT A PASSENGER UNLESS:

26 (I) THE PASSENGER IS ACTING IN AN UNLAWFUL, DISORDERLY, OR
27 ENDANGERING MANNER;

1 (II) THE PASSENGER IS UNABLE TO CARE FOR HIMSELF OR HERSELF
2 AND IS NOT IN THE CHARGE OF A RESPONSIBLE COMPANION; OR

3 (III) THE DRIVER HAS ALREADY COMMITTED TO PROVIDING A RIDE
4 FOR ANOTHER RIDER.

5 (b) A TRANSPORTATION NETWORK COMPANY SHALL NOT IMPOSE
6 ADDITIONAL CHARGES FOR PROVIDING SERVICES TO PERSONS WITH
7 PHYSICAL OR MENTAL DISABILITIES.

8 (c) A DRIVER SHALL PERMIT A SERVICE ANIMAL TO ACCOMPANY A
9 RIDER ON A PREARRANGED RIDE.

10 (d) IF A RIDER WITH PHYSICAL OR MENTAL DISABILITIES REQUIRES
11 THE USE OF MOBILITY EQUIPMENT, A DRIVER SHALL STORE THE MOBILITY
12 EQUIPMENT IN THE VEHICLE DURING A PREARRANGED RIDE.

13 (e) A TRANSPORTATION NETWORK COMPANY'S WEB SITE AND
14 ON-LINE APPLICATIONS MUST COMPLY WITH THE WEB CONTENT
15 ACCESSIBILITY GUIDELINES 2.0, AS MAY BE SUBSEQUENTLY AMENDED,
16 PUBLISHED BY THE WEB ACCESSIBILITY INITIATIVE OR SUCCESSOR
17 ORGANIZATION.

18 (7) A DRIVER SHALL IMMEDIATELY REPORT TO THE
19 TRANSPORTATION NETWORK COMPANY ANY REFUSAL TO TRANSPORT A
20 PASSENGER PURSUANT TO PARAGRAPH (a) OF SUBSECTION (6) OF THIS
21 SECTION, AND THE TRANSPORTATION NETWORK COMPANY SHALL
22 ANNUALLY REPORT ALL SUCH REFUSALS TO THE COMMISSION IN A FORM
23 AND MANNER DETERMINED BY THE COMMISSION.

24 **40-10.1-606. Permit required for transportation network**
25 **companies - penalty for violation - rules.** (1) A PERSON SHALL NOT
26 OPERATE A TRANSPORTATION NETWORK COMPANY IN COLORADO
27 WITHOUT FIRST HAVING OBTAINED A PERMIT FROM THE COMMISSION.

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

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

1 COMPANY'S PERMIT FEE.

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

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

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

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

25 (8) (a) FOR A VIOLATION OF THIS PART 6 OR A FAILURE TO COMPLY
26 WITH A COMMISSION ORDER, DECISION, OR RULE ISSUED UNDER THIS PART
27 6, A TRANSPORTATION NETWORK COMPANY IS SUBJECT TO THE

1 COMMISSION'S AUTHORITY UNDER SECTIONS 40-7-101, 40-7-112,
2 40-7-113, 40-7-115, AND 40-7-116.

3 (b) THE COMMISSION SHALL NOT ASSESS A PENALTY AGAINST A ■
4 DRIVER.

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

11 **40-10.1-607. Fees - transportation network company fund -**
12 **creation.** THE COMMISSION SHALL TRANSMIT ALL FEES COLLECTED
13 PURSUANT TO THIS PART 6 TO THE STATE TREASURER, WHO SHALL CREDIT
14 THE FEES TO THE TRANSPORTATION NETWORK COMPANY FUND, WHICH IS
15 HEREBY CREATED IN THE STATE TREASURY. THE MONEYS IN THE FUND ARE
16 CONTINUOUSLY APPROPRIATED TO THE COMMISSION FOR THE PURPOSES
17 SET FORTH IN THIS PART 6. ALL INTEREST EARNED FROM THE INVESTMENT
18 OF MONEYS IN THE FUND IS CREDITED TO THE FUND. ANY MONEYS NOT
19 EXPENDED AT THE END OF THE FISCAL YEAR REMAIN IN THE FUND AND DO
20 NOT REVERT TO THE GENERAL FUND OR ANY OTHER FUND.

21 ■
22 **40-10.1-608. Rules.** (1) THE COMMISSION MAY PROMULGATE
23 RULES CONSISTENT WITH THIS PART 6, INCLUDING RULES CONCERNING
24 ADMINISTRATION, FEES, AND SAFETY REQUIREMENTS.

25 (2) (a) THE COMMISSION, IN CONSULTATION WITH THE DIVISION OF
26 INSURANCE, SHALL PROMULGATE RULES CONCERNING FINANCIAL
27 RESPONSIBILITY REQUIREMENTS FOR TRANSPORTATION NETWORK

1 COMPANIES, INCLUDING:

2 (I) RULES REQUIRING EACH TRANSPORTATION NETWORK COMPANY
3 TO MAINTAIN AND FILE WITH THE COMMISSION EVIDENCE OF FINANCIAL
4 RESPONSIBILITY AND PROOF OF ITS CONTINUED VALIDITY AS THE
5 COMMISSION DEEMS NECESSARY; AND

6 (II) COVERAGE SUFFICIENT TO:

7 (A) PROTECT DRIVERS, RIDERS, OTHER MOTORISTS, AND
8 PEDESTRIANS; AND

9 (B) COVER ALL TIMES IN WHICH A DRIVER IS LOGGED INTO THE
10 TRANSPORTATION NETWORK COMPANY'S DIGITAL NETWORK.

11 (b) IN PROMULGATING RULES UNDER THIS SUBSECTION (2), THE
12 COMMISSION SHALL CONSIDER:

13 (I) REQUIRING TRANSPORTATION NETWORK COMPANIES TO CARRY
14 FULL COMMERCIAL COVERAGE; AND

15 (II) SETTING THE MINIMUM AMOUNT OF FINANCIAL RESPONSIBILITY
16 REQUIRED AS THE SAME AMOUNT REQUIRED FOR TAXICAB COMPANIES.

17 (3) THE COMMISSION, IN CONSULTATION WITH THE DIVISION OF
18 WORKERS' COMPENSATION IN THE COLORADO DEPARTMENT OF LABOR AND
19 EMPLOYMENT AND UPON CONSIDERATION OF EXISTING STATUTORY AND
20 CASE LAW, SHALL PROMULGATE RULES DETERMINING WORKERS'
21 COMPENSATION OBLIGATIONS.

22 **SECTION 7. Appropriation.** (1) In addition to any other
23 appropriation, there is hereby appropriated, out of any moneys in the
24 transportation network company fund created in section 40-10.1-607,
25 Colorado Revised Statutes, not otherwise appropriated, to the department
26 of regulatory agencies, for the fiscal year beginning July 1, 2014, the sum
27 of \$215,000, or so much thereof as may be necessary, for allocation to the

1 public utilities commission for the administrative costs related to the
2 implementation of this act.

3 (2) In addition to any other appropriation, there is hereby
4 appropriated to the department of law, for the fiscal year beginning July
5 1, 2014, the sum of \$9,108 and 0.1 FTE, or so much thereof as may be
6 necessary, for the provision of legal services for the public utilities
7 commission related to the implementation of this act. Said sum is from
8 reappropriated funds received from the department of regulatory agencies
9 out of the appropriation made in subsection (1) of this section.

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