



## Fiscal Note

### Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

## HB 26-1043: TRANSPORT NETWORK CO DISCRIMINATORY PRACTICES

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**Prime Sponsors:**

Rep. Rydin

**Fiscal Analyst:**

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**Fiscal note status:** The fiscal note reflects the introduced bill, as amended by the House Committee on Business Affairs and Labor.

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### Summary Information

**Overview.** The bill establishes new operational requirements for transportation network companies (TNCs) related to discriminatory conduct.

**Types of impacts.** The bill is projected to affect the following areas on an ongoing basis:

- Minimal State Workload

**Appropriations.** No appropriation is required.

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**Table 1**  
**State Fiscal Impacts**

Type of Impact	Budget Year FY 2026-27	Out Year FY 2027-28
State Revenue	\$0	\$0
State Expenditures	\$0	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

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## Summary of Legislation

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The bill establishes new operational requirements for transportation network companies (TNCs) related to discriminatory conduct. TNCs that provide a majority of services for schools or school districts are exempt from these requirements.

### Service Animals

The bill requires applicable TNCs to educate drivers on laws concerning service animals. Drivers must complete a mandatory service animal training no later than July 2027 or six months after joining a TNC platform, and the TNC may restrict or suspend a driver that fails to complete the mandatory training.

### Unlawful Discrimination

The bill requires TNCs to adopt a policy that prohibits unlawful discrimination, provide the policy to each driver on its network, and post the policy on its website.

Under current law, if a TNC fails to reasonably address a violation of certain discrimination prohibitions by a driver, the Public Utilities Commission (PUC) in the Department of Regulatory Agencies (DORA) may assess the TNC a civil penalty of up to \$550, as long as the TNC had written notice of the violation. The bill increases the maximum civil penalty to \$1,300 and removes the requirement that the TNC have written notice of the violation before a penalty may be assessed.

However, when determining whether to assess a civil penalty, the PUC must take into consideration a TNC's good faith efforts to remediate a driver's first violation as well as the number of violations by a TNC in the prior 12 months.

### Monthly Reporting Requirements

The bill requires a TNC to provide monthly, rather than annual, reports to the PUC on drivers' refusal to provide services. A TNC must allow consumers to report driver violations on the TNC's digital platform, and included any reports received in the TNC's monthly report. The PUC is required to anonymize this data before making it available to the public.

### State Revenue

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The bill may minimally increase civil penalty revenue to the Legal Services Offset Fund. Assuming no more than 15 civil penalty assessment notices are issued per year at the maximum fine of \$1,300 per assessment, this equates to less than \$20,000 per year in potential revenue.

## **State Expenditures**

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The bill increases workload in the PUC to issue civil penalties for discriminatory practices; to process and review TNC reports at a greater frequency than under current law; and to adjust PUC rules and regulations. This workload impact is absorbable with existing resources.

## **Effective Date**

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The bill takes effect January 1, 2027, assuming no referendum petition is filed. It applies to conduct occurring on or after this date.

## **State and Local Government Contacts**

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Judicial

Regulatory Agencies

Law

Treasury