

Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

PREAMENDED

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

LLS NO. 26-0624.01 Jennifer Berman x3286

HOUSE BILL 26-1273

HOUSE SPONSORSHIP

Willford and Froelich,

SENATE SPONSORSHIP

Cutter and Wallace,

House Committees

Business Affairs & Labor
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE MAXIMUM AMOUNT THAT A TRANSPORTATION**
102 **NETWORK COMPANY MAY RETAIN IN RELATION TO THE AMOUNT**
103 **PAID FOR TRANSPORTATION SERVICES PROVIDED THROUGH THE**
104 **TRANSPORTATION NETWORK COMPANY, AND, IN CONNECTION**
105 **THEREWITH, REDUCING 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 applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

The bill prohibits a transportation network company (TNC) from retaining more than 20% of a consumer fare paid for a driver's completion

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

of a transportation task through the TNC's digital platform. "Consumer fare" is defined in the bill as the amount a consumer pays for a transportation task, excluding tips and pass-throughs such as payments for tolls. A TNC is also not allowed to impose a fee on a TNC driver unless the amount of the fee plus the amount that the TNC retains from a consumer fare does not exceed 20% of the consumer fare.

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

2 **SECTION 1.** In Colorado Revised Statutes, 8-4-127, **amend**
3 (1)(a), (9) introductory portion, (9)(d)(I)(J), (9)(d)(II), (10) introductory
4 portion, and (13)(c); and **add** (1)(a.5), (1)(c.5), (1)(o.3), (1)(o.5), (1)(o.7),
5 and (12.5) as follows:

6 **8-4-127. Transportation network companies - disclosures to**
7 **drivers - deactivation and suspension policies - disclosures to division**
8 **- amount of consumer fare kept by a transportation network**
9 **company - definitions - enforcement - rules - legislative declaration.**

10 (1) **Definitions.** As used in this section, unless the context
11 otherwise requires:

12 (a) ~~"Available platform time" means the period when a driver is~~
13 ~~active on a transportation network company's digital platform while~~
14 ~~awaiting a transportation services request to come through the digital~~
15 ~~platform.~~ (I) "AIRPORT FEES" MAY INCLUDE AN AMOUNT THAT A TNC IS
16 REQUIRED TO PAY TO AN AIRPORT OR OTHER THIRD PARTY IN CONNECTION
17 WITH A PICKUP OR DROP-OFF OF ONE OR MORE RIDERS AT AN AIRPORT.

18 (II) "AIRPORT FEES" DOES NOT INCLUDE AN AMOUNT THAT A TNC
19 DOES NOT ACTUALLY PAY TO THE AIRPORT OR OTHER THIRD PARTY.

20 (a.5) "AVAILABLE PLATFORM TIME" MEANS THE PERIOD WHEN A
21 DRIVER IS ACTIVE ON A TRANSPORTATION NETWORK COMPANY'S DIGITAL
22 PLATFORM WHILE AWAITING A TRANSPORTATION SERVICES REQUEST TO

1 COME THROUGH THE DIGITAL PLATFORM.

2 (c.5) "CONSUMER FARE" MEANS THE AMOUNT OF MONEY THAT A
3 CONSUMER PAYS FOR A TRANSPORTATION TASK, EXCLUDING:

4 (I) TIPS;

5 (II) PASS-THROUGHS;

6 (III) TAXES;

7 (IV) AIRPORT FEES; AND

8 (V) PAYMENTS FOR A DRIVER SUPPORT ORGANIZATION CERTIFIED
9 PURSUANT TO SUBSECTION (6) OF THIS SECTION.

10 (o.3) "TAKE AMOUNT":

11 (I) MEANS THE PORTION OF A CONSUMER FARE THAT A
12 TRANSPORTATION NETWORK COMPANY, AFTER MAKING PAYMENT TO A
13 DRIVER, RETAINS FOR ITSELF;

14 (II) INCLUDES ANY AMOUNT OF MONEY RETAINED BY A TNC FOR
15 THE PURPOSE OF PAYING FEES, OTHER THAN AIRPORT FEES LISTED IN
16 SUBSECTION (1)(c.5) OF THIS SECTION; CHARGES; OR OTHER COSTS THAT
17 THE TNC IS REQUIRED TO PAY IN CONNECTION WITH THE TRANSACTION OR
18 FOR THE GENERAL OPERATIONAL COSTS OF THE TNC; AND

19 (III) DOES NOT INCLUDE ANY AMOUNT OF THE CONSUMER FARE
20 THAT THE TNC PAYS TO THE DRIVER.

21 (o.5) "TAKE RATE" MEANS THE PERCENTAGE OF A CONSUMER FARE
22 THAT IS A TAKE AMOUNT.

23 (o.7) (I) "TAXES" MAY INCLUDE AN AMOUNT THAT A TNC IS
24 REQUIRED TO PAY A LOCAL GOVERNMENT, THE STATE, OR THE FEDERAL
25 GOVERNMENT.

26 (II) "TAXES" DOES NOT INCLUDE AN AMOUNT THAT A TNC DOES
27 NOT ACTUALLY PAY TO A LOCAL GOVERNMENT, THE STATE, OR THE

1 FEDERAL GOVERNMENT.

2 (9) **Annual disclosures to the division.** On August 1, 2026, and
3 on a ~~semiannual~~ AN ANNUAL basis thereafter, a transportation network
4 company shall make the following disclosures to the division:

5 (d) (I) For a sample size of one thousandth of the transportation
6 tasks for which a TNC dispatches a driver, or an amount less as
7 authorized by the director by rule, and pursuant to a representative and
8 reproducible sampling methodology determined and designed by the
9 director and in consultation with the TNCs:

10 (J) The total amount that the consumer paid for the transportation
11 task, disaggregated to show the amount of any tip, AIRPORT FEE,
12 PASS-THROUGH, TAXES, PAYMENTS FOR A DRIVER SUPPORT ORGANIZATION
13 CERTIFIED PURSUANT TO SUBSECTION (6) OF THIS SECTION, TAKE RATE,
14 AND TAKE AMOUNT; and

15 (II) To ensure the reliability of a TNC's sampling process used
16 pursuant to this subsection (9)(d) and the TNC's compliance with the
17 sampling process, the director may audit the TNC's sampling process by
18 requiring the TNC to provide the director the total number of dispatched
19 transportation tasks made during the relevant ~~semiannual~~ ANNUAL period.

20 (10) **Public availability of TNC annual disclosures.** The
21 information that a transportation network company provides through
22 ~~semiannual~~ ANNUAL disclosures in accordance with subsection (9) of this
23 section to the division is a public record, as defined in section 24-72-202
24 (6). Prior to any disclosure of the information pursuant to the "Colorado
25 Open Records Act", part 2 of article 72 of title 24, the division shall:

26 (12.5) **Amount of consumer fare kept by a transportation**
27 **network company - legislative declaration.**

1 (a) (I) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT:
2 (A) TRANSPORTATION NETWORK COMPANIES AND DRIVERS PLAY
3 AN IMPORTANT ROLE IN COLORADO'S PUBLIC TRANSPORTATION
4 INFRASTRUCTURE; YET, TRANSPORTATION NETWORK COMPANIES HAVE
5 NOT BEEN MADE SUBJECT TO PUBLIC RATE SETTING, ACCESSIBILITY
6 REQUIREMENTS, OR OTHER REGULATIONS THAT APPLY TO COMMON
7 CARRIERS OR OTHER PUBLIC UTILITIES;
8 (B) TRANSPORTATION NETWORK COMPANIES MAINTAIN THAT THEY
9 ARE NOT SUBJECT TO EMPLOYMENT LAWS WITH RESPECT TO DRIVERS,
10 WHICH LAWS WOULD ENSURE THEIR DRIVERS EARN AT LEAST A MINIMUM
11 WAGE;
12 (C) TRANSPORTATION NETWORK COMPANIES INSTEAD SET WAGES
13 THROUGH HIDDEN ALGORITHMS BASED ON FACTORS THAT ARE NOT
14 DISCLOSED TO DRIVERS AND WHICH MAY BE USED IN A MANNER THAT
15 MANIPULATES DRIVER BEHAVIOR;
16 (D) MEANWHILE, DRIVER WAGES FALL FAR BELOW OUR STATE
17 MINIMUM WAGE STANDARDS, PARTICULARLY GIVEN THE SUBSTANTIAL
18 COSTS THAT DRIVERS INCUR IN ORDER TO DO THEIR JOBS;
19 (E) WHILE CONSUMER FARES APPEAR TO BE INCREASING, DRIVER
20 PAY IS NOT, AND, THEREFORE, THE TAKE AMOUNT RETAINED BY A
21 TRANSPORTATION NETWORK COMPANY IS INCREASING;
22 (F) THE TAKE AMOUNT RETAINED BY A TRANSPORTATION
23 NETWORK COMPANY HAS BECOME EXTRAORDINARY, WITH ANECDOTAL
24 REPORTS OF TAKE AMOUNTS OF SIXTY PERCENT AND EVEN SEVENTY
25 PERCENT OF THE CONSUMER FARE IN SOME CASES; AND
26 (G) HIGH TAKE RATES GENERATE FRICTION BETWEEN CONSUMERS
27 AND DRIVERS, MOVE PROFITS AWAY FROM COLORADO DRIVERS TO

1 OUT-OF-STATE BUSINESSES, FACILITATE PRICE GOUGING OF CONSUMERS,
2 AND ALLOW MANIPULATION OF DRIVERS. PROTECTION AGAINST
3 INCREASING TAKE RATES IS NECESSARY TO ENSURE THAT CONSUMERS AND
4 DRIVERS ARE TREATED FAIRLY.

5 (II) THEREFORE, THE GENERAL ASSEMBLY FURTHER DECLARES
6 THAT:

7 (A) THIS SUBSECTION (12.5) PROHIBITS TRANSPORTATION
8 NETWORK COMPANIES FROM RAISING TAKE RATES ABOVE TWENTY
9 PERCENT AS A MEANS TO PREVENT PRICE GOUGING, WHICH PRICE GOUGING
10 INCREASES CORPORATE PROFITS AT THE EXPENSE OF COLORADO DRIVERS
11 AND CONSUMERS; AND

12 (B) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT THIS
13 SUBSECTION (12.5) BE BROADLY INTERPRETED TO ACHIEVE ITS INTENDED
14 PURPOSES.

15 (b) A TRANSPORTATION NETWORK COMPANY SHALL NOT CHARGE
16 AN AMOUNT IN EXCESS OF TWENTY PERCENT AS A TAKE RATE FOR ANY
17 TRANSPORTATION TASK.

18 (c) A TNC SHALL PAY A DRIVER AT LEAST EIGHTY PERCENT OF THE
19 CONSUMER FARE PAID FOR A TRANSPORTATION TASK.

20 (d) THE AMOUNT THAT A TNC EXCLUDES FROM A CONSUMER FARE
21 PAYMENT INTENDED AS PAYMENT FOR THE CERTIFIED DRIVER SUPPORT
22 ORGANIZATION PURSUANT TO SUBSECTION (1)(c.5)(V) OF THIS SECTION:

23 (I) MUST NOT EXCEED THE PER-TASK AMOUNT ESTABLISHED BY
24 THE DIRECTOR BY RULE PURSUANT TO SUBSECTION (6)(c) OF THIS SECTION;
25 AND

26 (II) SHALL BE REMITTED TO THE CERTIFIED DRIVER SUPPORT
27 ORGANIZATION.

1 (e) A TNC SHALL PAY ALL PASS-THROUGHS IN FULL TO THE
2 DRIVER.

3 (f) A TNC SHALL NOT IMPOSE A FEE ON A DRIVER FOR A
4 TRANSPORTATION TASK UNLESS THE TAKE AMOUNT FOR THE
5 TRANSPORTATION TASK PLUS THE AMOUNT OF THE FEE, EXPRESSED AS A
6 PERCENTAGE, DOES NOT EXCEED TWENTY PERCENT OF THE CONSUMER
7 FARE PAID FOR THE TRANSPORTATION TASK.

8 (13) **Penalties, fines, and enforcement.**

9 (c) The director shall establish procedures for drivers and
10 consumers to submit complaints to the division and for the division's
11 investigations, hearings, and imposition of fines pursuant to this
12 subsection (13). AN APPEAL ASSOCIATED WITH A DIVISION
13 DETERMINATION OF RIGHTS AND REMEDIES UNDER THIS SECTION SHALL BE
14 ADJUDICATED IN ACCORDANCE WITH SECTION 8-4-111.5.

15 **SECTION 2.** In Colorado Revised Statutes, 8-4-111.5, **amend** (1)
16 as follows:

17 **8-4-111.5. Hearing officer review and appeals of**
18 **administrative actions.**

19 (1) Pursuant to policies established by the director by rule, any
20 interested party who is dissatisfied with the division's decision on a wage
21 complaint filed pursuant to section 8-4-111 (2) OR ON A COMPLAINT FILED
22 AGAINST A TRANSPORTATION NETWORK COMPANY PURSUANT TO SECTION
23 8-4-127 may file a request for a hearing within thirty-five days after the
24 division's decision is sent. If ~~no~~ A request is NOT filed within the
25 thirty-five-day period, the division's decision is final.

26 **SECTION 3. Appropriation - adjustments to 2026 long bill.**

27 (1) Except as provided in subsection (2) of this section, to implement this

1 act, the general fund appropriation made in the annual general
2 appropriation act for the 2026-27 state fiscal year to the department of
3 labor and employment for use by the division of labor standards and
4 statistics for program costs related to labor standards is decreased by
5 \$16,343, and the related FTE is decreased by 0.1 FTE.

6 (2) Subsection (1) of this section does not require a reduction of
7 an appropriation in the annual general appropriation act for the 2026-27
8 state fiscal year if:

9 (a) The amount of the general fund appropriation made in the
10 annual general appropriation act for the 2026-27 state fiscal year to the
11 department of labor and employment for use by the division of labor
12 standards and statistics for program costs related to labor standards is less
13 than the amount of the adjustment required in subsection (1) of this
14 section; or

15 (b) The annual general appropriation act for the 2026-27 state
16 fiscal year does not include an appropriation to the department of labor
17 and employment for use by the division of labor standards and statistics
18 for program costs related to labor standards.

19 **SECTION 4. Act subject to petition - effective date -**
20 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
21 the expiration of the ninety-day period after final adjournment of the
22 general assembly (August 12, 2026, if adjournment sine die is on May 13,
23 2026); except that, if a referendum petition is filed pursuant to section 1
24 (3) of article V of the state constitution against this act or an item, section,
25 or part of this act within such period, then the act, item, section, or part
26 will not take effect unless approved by the people at the general election
27 to be held in November 2026 and, in such case, will take effect on the

1 date of the official declaration of the vote thereon by the governor.

2 (2) Section 2 of this act takes effect only if the annual general
3 appropriation act for the 2026-27 state fiscal year becomes law, in which
4 case section 2 takes effect upon the effective date of this act or of the
5 annual general appropriation act for state fiscal year 2026-27, whichever
6 is later.

7 (3) This act applies to conduct occurring on or after the applicable
8 effective date of this act.