

Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

INTRODUCED

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

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.

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 of a transportation task through the TNC's digital platform. "Consumer

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.

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, **add**
3 (1)(c.5), (1)(o.3), (1)(o.5), and (12.5) as follows:

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

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

10 (c.5) "CONSUMER FARE" MEANS THE AMOUNT OF MONEY THAT A
11 CONSUMER PAYS FOR A TRANSPORTATION TASK, EXCLUDING TIPS AND
12 PASS-THROUGHS.

13 (o.3) "TAKE AMOUNT":

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

17 (II) INCLUDES ANY AMOUNT OF MONEY RETAINED BY A TNC FOR
18 THE PURPOSE OF PAYING FEES, TAXES, CHARGES, OR OTHER COSTS THAT
19 THE TNC IS REQUIRED TO PAY IN CONNECTION WITH THE TRANSACTION OR
20 FOR THE GENERAL OPERATIONAL COSTS OF THE TNC; AND

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

23 (o.5) "TAKE RATE" MEANS THE PERCENTAGE OF A CONSUMER FARE

1 THAT IS A TAKE AMOUNT.

2 (12.5) **Amount of consumer fare kept by a transportation**
3 **network company - legislative declaration.**

4 (a) (I) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT:

5 (A) TRANSPORTATION NETWORK COMPANIES AND DRIVERS PLAY
6 AN IMPORTANT ROLE IN COLORADO'S PUBLIC TRANSPORTATION
7 INFRASTRUCTURE; YET, TRANSPORTATION NETWORK COMPANIES HAVE
8 NOT BEEN MADE SUBJECT TO PUBLIC RATE SETTING, ACCESSIBILITY
9 REQUIREMENTS, OR OTHER REGULATIONS THAT APPLY TO COMMON
10 CARRIERS OR OTHER PUBLIC UTILITIES;

11 (B) TRANSPORTATION NETWORK COMPANIES MAINTAIN THAT THEY
12 ARE NOT SUBJECT TO EMPLOYMENT LAWS WITH RESPECT TO DRIVERS,
13 WHICH LAWS WOULD ENSURE THEIR DRIVERS EARN AT LEAST A MINIMUM
14 WAGE;

15 (C) TRANSPORTATION NETWORK COMPANIES INSTEAD SET WAGES
16 THROUGH HIDDEN ALGORITHMS BASED ON FACTORS THAT ARE NOT
17 DISCLOSED TO DRIVERS AND WHICH MAY BE USED IN A MANNER THAT
18 MANIPULATES DRIVER BEHAVIOR;

19 (D) MEANWHILE, DRIVER WAGES FALL FAR BELOW OUR STATE
20 MINIMUM WAGE STANDARDS, PARTICULARLY GIVEN THE SUBSTANTIAL
21 COSTS THAT DRIVERS INCUR IN ORDER TO DO THEIR JOBS;

22 (E) WHILE CONSUMER FARES APPEAR TO BE INCREASING, DRIVER
23 PAY IS NOT, AND, THEREFORE, THE TAKE AMOUNT RETAINED BY A
24 TRANSPORTATION NETWORK COMPANY IS INCREASING;

25 (F) THE TAKE AMOUNT RETAINED BY A TRANSPORTATION
26 NETWORK COMPANY HAS BECOME EXTRAORDINARY, WITH ANECDOTAL
27 REPORTS OF TAKE AMOUNTS OF SIXTY PERCENT AND EVEN SEVENTY

1 PERCENT OF THE CONSUMER FARE IN SOME CASES; AND

2 (G) HIGH TAKE RATES GENERATE FRICTION BETWEEN CONSUMERS
3 AND DRIVERS, MOVE PROFITS AWAY FROM COLORADO DRIVERS TO
4 OUT-OF-STATE BUSINESSES, FACILITATE PRICE GOUGING OF CONSUMERS,
5 AND ALLOW MANIPULATION OF DRIVERS. PROTECTION AGAINST
6 INCREASING TAKE RATES IS NECESSARY TO ENSURE THAT CONSUMERS AND
7 DRIVERS ARE TREATED FAIRLY.

8 (II) THEREFORE, THE GENERAL ASSEMBLY FURTHER DECLARES
9 THAT:

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

15 (B) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT THIS
16 SUBSECTION (12.5) BE BROADLY INTERPRETED TO ACHIEVE ITS INTENDED
17 PURPOSES.

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

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

23 (d) A TNC SHALL NOT IMPOSE A FEE ON A DRIVER FOR A
24 TRANSPORTATION TASK UNLESS THE TAKE AMOUNT FOR THE
25 TRANSPORTATION TASK PLUS THE AMOUNT OF THE FEE, EXPRESSED AS A
26 PERCENTAGE, DOES NOT EXCEED TWENTY PERCENT OF THE CONSUMER
27 FARE PAID FOR THE TRANSPORTATION TASK.

1 **SECTION 2. Act subject to petition - effective date -**
2 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
3 the expiration of the ninety-day period after final adjournment of the
4 general assembly (August 12, 2026, if adjournment sine die is on May 13,
5 2026); except that, if a referendum petition is filed pursuant to section 1
6 (3) of article V of the state constitution against this act or an item, section,
7 or part of this act within such period, then the act, item, section, or part
8 will not take effect unless approved by the people at the general election
9 to be held in November 2026 and, in such case, will take effect on the
10 date of the official declaration of the vote thereon by the governor.
11 (2) This act applies to conduct occurring on or after the applicable
12 effective date of this act.