

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.**

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:

12 (I) TIPS;

13 (II) PASS-THROUGHS;

14 (III) TAXES;

15 (IV) AIRPORT FEES; AND

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

18 (o.3) "TAKE AMOUNT":

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

22 (II) INCLUDES ANY AMOUNT OF MONEY RETAINED BY A TNC FOR
23 THE PURPOSE OF PAYING FEES, OTHER THAN THOSE FEES LISTED IN

1 SUBSECTION (1)(c.5) OF THIS SECTION; CHARGES; OR OTHER COSTS THAT
2 THE TNC IS REQUIRED TO PAY IN CONNECTION WITH THE TRANSACTION OR
3 FOR THE GENERAL OPERATIONAL COSTS OF THE TNC; AND

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

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

8 **(12.5) Amount of consumer fare kept by a transportation**
9 **network company - legislative declaration.**

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

11 (A) TRANSPORTATION NETWORK COMPANIES AND DRIVERS PLAY
12 AN IMPORTANT ROLE IN COLORADO'S PUBLIC TRANSPORTATION
13 INFRASTRUCTURE; YET, TRANSPORTATION NETWORK COMPANIES HAVE
14 NOT BEEN MADE SUBJECT TO PUBLIC RATE SETTING, ACCESSIBILITY
15 REQUIREMENTS, OR OTHER REGULATIONS THAT APPLY TO COMMON
16 CARRIERS OR OTHER PUBLIC UTILITIES;

17 (B) TRANSPORTATION NETWORK COMPANIES MAINTAIN THAT THEY
18 ARE NOT SUBJECT TO EMPLOYMENT LAWS WITH RESPECT TO DRIVERS,
19 WHICH LAWS WOULD ENSURE THEIR DRIVERS EARN AT LEAST A MINIMUM
20 WAGE;

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

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

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

4 (F) THE TAKE AMOUNT RETAINED BY A TRANSPORTATION
5 NETWORK COMPANY HAS BECOME EXTRAORDINARY, WITH ANECDOTAL
6 REPORTS OF TAKE AMOUNTS OF SIXTY PERCENT AND EVEN SEVENTY
7 PERCENT OF THE CONSUMER FARE IN SOME CASES; AND

8 (G) HIGH TAKE RATES GENERATE FRICTION BETWEEN CONSUMERS
9 AND DRIVERS, MOVE PROFITS AWAY FROM COLORADO DRIVERS TO
10 OUT-OF-STATE BUSINESSES, FACILITATE PRICE GOUGING OF CONSUMERS,
11 AND ALLOW MANIPULATION OF DRIVERS. PROTECTION AGAINST
12 INCREASING TAKE RATES IS NECESSARY TO ENSURE THAT CONSUMERS AND
13 DRIVERS ARE TREATED FAIRLY.

14 (II) THEREFORE, THE GENERAL ASSEMBLY FURTHER DECLARES
15 THAT:

16 (A) THIS SUBSECTION (12.5) PROHIBITS TRANSPORTATION
17 NETWORK COMPANIES FROM RAISING TAKE RATES ABOVE TWENTY
18 PERCENT AS A MEANS TO PREVENT PRICE GOUGING, WHICH PRICE GOUGING
19 INCREASES CORPORATE PROFITS AT THE EXPENSE OF COLORADO DRIVERS
20 AND CONSUMERS; AND

21 (B) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT THIS
22 SUBSECTION (12.5) BE BROADLY INTERPRETED TO ACHIEVE ITS INTENDED
23 PURPOSES.

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

27 (c) A TNC SHALL PAY A DRIVER AT LEAST EIGHTY PERCENT OF THE

1 CONSUMER FARE PAID FOR A TRANSPORTATION TASK.

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

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

17 (2) This act applies to conduct occurring on or after the applicable
18 effective date of this act.