



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 25-1291: TRANS NETWORK COMPANY CONSUMER PROTECTION

Prime Sponsors:

Rep. Willford; Froelich
Sen. Winter F.; Danielson

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Published for: House Second Reading**Drafting number:** LLS 25-0318**Version:** First Revised Note**Date:** April 10, 2025

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

Summary Information

Overview. The bill creates new safety requirements for transportation network companies and their drivers.

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

- State Revenue
- Minimal State Workload

Appropriations. No appropriation is required.

Table 1
State Fiscal Impacts

Type of Impact	Budget Year FY 2025-26	Out Year FY 2026-27
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

Summary of Legislation

The bill creates new safety requirements for transportation network companies (TNCs) and TNC drivers. Specifically, the bill requires TNCs to:

- procure and pay the costs for a privately administered criminal history record at least every six months for their drivers;
- prohibit individuals from driving who have committed certain offenses within certain timeframes or who have been disqualified from driving for another TNC for an incident involving assault, harassment, kidnapping, felony robbery, menacing, account sharing, or impersonating a driver;
- require drivers to notify the TNC within 48 hours of their conviction pronounced or plea entered for certain offenses;
- upon receiving complaints regarding an allegation against the driver of physical assault, sexual assault, kidnapping, felony robbery, menacing, or homicide, procure a privately administered criminal history record check for the driver and initiate a deactivation review and, if warranted, driver suspension, with allowances for driver appeals, within parameters outlined in the bill and certain timeframes;
- by January 1, 2026, ensure prearranged rides are continuously audio and video recorded, and make related disclosures;
- submit annual reporting on safety incidents to the Public Utilities Commission (PUC), the Attorney General, and relevant legislative committees beginning February 1, 2026; and,
- develop a wide array of policies to prevent imposter accounts, account sharing, and account renting; to prevent assault against or committed by drivers; to ensure unaccompanied minor rides are authorized by the parent; to allow a driver to refuse a ride for an individual not authorized on the account without penalty to the driver; to establish procedures for driver deactivation when criminal allegations are made; to notify and train drivers on policies; among others.

A TNC is excluded from these requirements if it serves youth riders, or if its revenue is earned from contracts with schools or governments and at least 90 percent of its drivers are in compliance with rules outlined for this type of TNC.

The bill also:

- prohibits drivers from offering or selling any food or beverage to another driver or rider;
- allows the Attorney General or injured passenger to initiate a civil proceeding in a district court against a TNC or a driver in violation of the bill;
- allows civil penalties of up to \$100,000 per violation to be assessed on TNCs that violate the bill;

- makes it a deceptive trade practice to misrepresent compliance with the "Transportation Network Company Act," or alter the rating a rider assigned a driver on a TNC's digital platform, or assign an automatic or default driver rating not assigned by the rider; and,
- requires the PUC to adopt rules governing the retention, storage, and use of and access to any biometric data collected by a TNC.

State Revenue

Civil Penalties

Deceptive Trade Practice

Under the Colorado Consumer Protection Act, a person committing a deceptive trade practice may be subject to a civil penalty of up to \$20,000 for each violation. Additional penalties may be imposed for subsequent violations of a court order or injunction. This revenue is classified as a damage award and not subject to TABOR. Given the uncertainty about the number of cases that may be pursued by the Attorney General and district attorneys, as well as the wide range in potential penalty amounts, the fiscal note cannot estimate the potential impact of these civil penalties.

Other Violations

The bill allows TNCs to be issued a fine of up to \$100,000 for violating certain requirements in the bill. The fiscal note assumes TNCs will comply with the laws and any increase in fine revenue will be minimal.

Filing Fees

The bill may increase revenue to the Judicial Department from an increase in civil case filings. Revenue from filing fees is subject to TABOR.

State Expenditures

Department of Regulatory Agencies

Workload will increase in the PUC in the Department of Regulatory Agencies to conduct rulemaking on the use of and access to data collected by TNCs, review reports submitted by TNCs, and review additional complaints submitted against TNCs and drivers. This increase in workload is absorbable with existing resources.

Department of Law

Workload in the Department of Law will minimally increase to the extent that deceptive trade practice complaints are filed. The department will review complaints under the bill and prioritize investigations as necessary within the overall number of deceptive trade practice complaints and available resources.

Judicial Department

The trial courts in the Judicial Department may have an increase in cases filed under the Colorado Consumer Protection Act from the addition of a new deceptive trade practice. There may also be an increase in cases if any TNCs are accused of violating the bill's requirements. It is assumed that TNCs will abide by the law and that any violation of the legislation will result in minimal number of new cases. The fiscal note assumes that this can be accomplished within existing resources and that no change in appropriations is required.

Effective Date

The bill takes effect July 1, 2025, and applies to offenses committed on or after that date.

State and Local Government Contacts

Public Safety

Judicial

Regulatory Agencies

Law