CHAPTER 323

PUBLIC UTILITIES

SENATE BILL 14-125

BY SENATOR(S) Jahn and Harvey, Baumgardner, Cadman, Crowder, Grantham, Hickenlooper, Johnston, Lamb, Marble, Newell, Rivera, Stedman, Todd, Zenzinger, Aguilar;

AN ACT

CONCERNING THE REGULATION OF TRANSPORTATION NETWORK COMPANIES, AND, IN CONNECTION THEREWITH, REQUIRING TRANSPORTATION NETWORK COMPANIES TO CARRY LIABILITY INSURANCE, CONDUCT BACKGROUND CHECKS ON TRANSPORTATION NETWORK COMPANY DRIVERS, INSPECT TRANSPORTATION NETWORK COMPANY VEHICLES, AND OBTAIN A PERMIT FROM THE PUBLIC UTILITIES COMMISSION; AND MAKING AN APPROPRIATION.

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

SECTION 1. In Colorado Revised Statutes, 40-1-102, amend (3) (b) as follows:

40-1-102. Definitions. As used in articles 1 to 7 of this title, unless the context otherwise requires:

(3) (b) "Common carrier" does not include a motor carrier that provides transportation not subject to regulation pursuant to section 40-10.1-105, or a motor carrier that is subject to part 3, 4, or 5 of article 10.1 of this title, or a transportation network company, as defined in section 40-10.1-602(3), or a transportation network company driver, as defined in section 40-10.1-602(4).

SECTION 2. In Colorado Revised Statutes, 40-7-112, amend (1) (a) as follows:

40-7-112. Applicability of civil penalties. (1) (a) A person who operates or offers to operate as a motor carrier as defined in section 40-10.1-101; or a motor carrier, motor private carrier, broker, freight forwarder, leasing company, or other person required to register under section 40-10.5-102; or a transportation

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.
NETWORK COMPANY REQUIRED TO OBTAIN A PERMIT UNDER SECTION 40-10.1-606 is subject to civil penalties as provided in this section and sections 40-7-113 to 40-7-116, in addition to any other sanctions that may be imposed pursuant to law.

SECTION 3. In Colorado Revised Statutes, 40-10.1-101, amend (6) and (10) as follows:

40-10.1-101. Definitions. As used in this article, unless the context otherwise requires:

(6) "Contract carrier" means every person, other than a common carrier or a motor carrier of passengers under part 3 of this article, who, by special contract, directly or indirectly affords a means of passenger transportation over any public highway of this state; EXCEPT THAT THE TERM DOES NOT INCLUDE A TRANSPORTATION NETWORK COMPANY, AS DEFINED IN SECTION 40-10.1-602 (3), OR A TRANSPORTATION NETWORK COMPANY DRIVER, AS DEFINED IN SECTION 40-10.1-602 (4).

(10) "Motor carrier" means any person owning, controlling, operating, or managing any motor vehicle that provides transportation in intrastate commerce pursuant to this article; EXCEPT THAT THE TERM DOES NOT INCLUDE A TRANSPORTATION NETWORK COMPANY, AS DEFINED IN SECTION 40-10.1-602 (3), OR A TRANSPORTATION NETWORK COMPANY DRIVER, AS DEFINED IN SECTION 40-10.1-602 (4).

SECTION 4. In Colorado Revised Statutes, 40-10.1-103, add (3) as follows:

40-10.1-103. Subject to control by commission. (3) TRANSPORTATION NETWORK COMPANIES, AS DEFINED IN SECTION 40-10.1-602 (3), ARE NOT COMMON CARRIERS, CONTRACT CARRIERS, OR MOTOR CARRIERS UNDER THIS TITLE, BUT ARE DECLARED TO BE AFFECTED WITH A PUBLIC INTEREST AND ARE SUBJECT TO REGULATION TO THE EXTENT PROVIDED IN PART 6 OF THIS ARTICLE.

SECTION 5. In Colorado Revised Statutes, add 40-10.1-117 as follows:

40-10.1-117. Limited regulation of transportation network companies. NOTWITHSTANDING ANY OTHER PROVISION OF LAW, TRANSPORTATION NETWORK COMPANIES, AS DEFINED IN SECTION 40-10.1-602 (3), ARE GOVERNED EXCLUSIVELY UNDER PART 6 OF THIS ARTICLE.

SECTION 6. In Colorado Revised Statutes, add part 6 to article 10.1 of title 40 as follows:

PART 6
TRANSPORTATION NETWORK COMPANIES

40-10.1-601. Short title. THIS ARTICLE SHALL BE KNOWN AND MAY BE CITED AS THE "TRANSPORTATION NETWORK COMPANY ACT".

40-10.1-602. Definitions. AS USED IN THIS PART 6, UNLESS THE CONTEXT OTHERWISE REQUIRES:
(1) "Personal vehicle" means a vehicle that is used by a transportation network company driver in connection with providing services for a transportation network company that meets the vehicle criteria set forth in this part 6.

(2) "Prearranged ride" means a period of time that begins when a driver accepts a requested ride through a digital network, continues while the driver transports the rider in a personal vehicle, and ends when the rider departs from the personal vehicle.

(3) "Transportation network company" means a corporation, partnership, sole proprietorship, or other entity, operating in Colorado, that uses a digital network to connect riders to drivers for the purpose of providing transportation. A transportation network company does not provide taxi service, transportation service arranged through a transportation broker, ridesharing arrangements, as defined in section 39-22-509 (1) (a) (II), C.R.S., or any transportation service over fixed routes at regular intervals. A transportation network company is not deemed to own, control, operate, or manage the personal vehicles used by transportation network company drivers. A transportation network company does not include a political subdivision or other entity exempted from federal income tax under section 115 of the federal "Internal Revenue Code of 1986", as amended.

(4) "Transportation network company driver" or "driver" means an individual who uses his or her personal vehicle to provide services for riders matched through a transportation network company’s digital network. A driver need not be an employee of a transportation network company.

(5) "Transportation network company rider" or "rider" means a passenger in a personal vehicle for whom transport is provided, including:

(a) An individual who uses a transportation network company’s online application or digital network to connect with a driver to obtain services in the driver’s vehicle for the individual and anyone in the individual’s party; or

(b) Anyone for whom another individual uses a transportation network company’s online application or digital network to connect with a driver to obtain services in the driver’s vehicle.

(6) "Transportation network company services" or "services" means the provision of transportation by a driver to a rider with whom the driver is matched through a transportation network company. The term does not include services provided either directly by or under contract with a political subdivision or other entity exempt from federal income tax under section 115 of the federal "Internal Revenue Code of 1986", as amended.
40-10.1-603. Limited regulation. Notwithstanding any other provision of law, transportation network companies are governed exclusively by this part 6. A transportation network company is not subject to the commission's rate, entry, operational, or common carrier requirements, other than those requirements expressly set forth in this part 6.

40-10.1-604. Registration - financial responsibility of transportation network companies - insurance. (1) A transportation network company shall comply with the filing requirements of part 3 and the registered agent requirement of part 7 of article 90 of title 7, C.R.S.

(2) A transportation network company shall file with the commission documentation evidencing that the transportation network company or the driver has secured primary liability insurance coverage for the driver for incidents involving the driver during a prearranged ride. Coverage for incidents involving a driver during a prearranged ride must be in the amount of at least one million dollars per occurrence. The insurance policy must provide coverage at all times the driver is engaged in a prearranged ride. This subsection (2) becomes effective ninety days after the effective date of this part 6.

(3) For the period of time when a driver is logged into a transportation network company's digital network but is not engaged in a prearranged ride, the following insurance requirements apply:

(a) A transportation network company or a driver shall maintain contingent liability insurance with a liability limit equal to at least the minimum amount required by section 10-4-620, C.R.S. At a minimum, the contingent liability insurance must provide liability coverage if the driver's insurer for personal automobile insurance validly denies coverage under the terms of the driver's personal automobile insurance policy or the driver otherwise does not have personal automobile insurance coverage. Nothing in this paragraph (a) precludes an insurer's right to equitable subrogation. The requirements of this paragraph (a) expire on January 15, 2015, and this paragraph (a) is repealed, effective July 1, 2015.

(b) On or before January 15, 2015, and thereafter, a driver or a transportation network company on the driver's behalf shall maintain a primary automobile insurance policy that:

(I) Recognizes that the driver is a transportation network company driver and covers the driver's provision of transportation network company services while the driver is logged into the transportation network company's digital network;

(II) Meets at least the minimum coverage of at least fifty thousand dollars to any one person in any one accident, one hundred thousand dollars to all persons in any one accident, and for property damage arising out of the use of the motor vehicle to a limit, exclusive of interest and costs, of thirty thousand dollars in any one accident; and
(III) IS ONE OF THE FOLLOWING:

(A) FULL-TIME COVERAGE SIMILAR TO THE COVERAGE REQUIRED BY COMMISSION RULES PROMULGATED UNDER SECTION 40-10.1-107(1);

(B) AN INSURANCE RIDER TO, OR ENDORSEMENT OF, THE DRIVER’S PERSONAL AUTOMOBILE INSURANCE POLICY REQUIRED BY THE "MOTOR VEHICLE FINANCIAL RESPONSIBILITY ACT," ARTICLE 7 OF TITLE 42, C.R.S.; OR

(C) A CORPORATE LIABILITY INSURANCE POLICY PURCHASED BY THE TRANSPORTATION NETWORK COMPANY THAT PROVIDES PRIMARY COVERAGE FOR THE PERIOD OF TIME IN WHICH A DRIVER IS LOGGED INTO THE DIGITAL NETWORK.


d) IF A TRANSPORTATION NETWORK COMPANY PURCHASES AN INSURANCE POLICY UNDER THIS SUBSECTION (3), IT SHALL PROVIDE DOCUMENTATION TO THE COMMISSION EVIDENCING THAT THE TRANSPORTATION NETWORK COMPANY HAS SECURED THE POLICY. IF THE RESPONSIBILITY IS PLACED ON A DRIVER TO PURCHASE INSURANCE UNDER THIS SUBSECTION (3), THE TRANSPORTATION NETWORK COMPANY SHALL VERIFY THAT THE DRIVER HAS PURCHASED AN INSURANCE POLICY UNDER THIS SUBSECTION (3).

(4) A DRIVER’S PERSONAL AUTOMOBILE INSURANCE POLICY THAT COMPLIES WITH PART 6 OF ARTICLE 4 OF TITLE 10, C.R.S., IS SUFFICIENT TO SATISFY THE COMPULSORY INSURANCE REQUIREMENTS THEREOF. AN INSURANCE POLICY REQUIRED BY SUBSECTION (2) OR SUBSECTION (3) OF THIS SECTION:

(a) MAY BE PLACED WITH AN INSURER LICENSED UNDER TITLE 10, C.R.S., OR WITH A SURPLUS LINES INSURER AUTHORIZED UNDER ARTICLE 5 OF TITLE 10, C.R.S.; AND

(b) NEED NOT SEPARATELY SATISFY THE REQUIREMENTS OF PART 6 OF ARTICLE 4 OF TITLE 10, C.R.S.

(5) NOTHING IN THIS SECTION REQUIRES A PERSONAL AUTOMOBILE INSURANCE POLICY TO PROVIDE COVERAGE FOR THE PERIOD OF TIME IN WHICH A DRIVER IS LOGGED INTO A TRANSPORTATION NETWORK COMPANY’S DIGITAL NETWORK.

(6) IF MORE THAN ONE INSURANCE POLICY PROVIDES VALID AND COLLECTIBLE
COVERAGE FOR A LOSS ARISING OUT OF AN OCCURRENCE INVOLVING A MOTOR
VEHICLE OPERATED BY A DRIVER, THE RESPONSIBILITY FOR THE CLAIM MUST BE
DIVIDED ON A PRO RATA BASIS AMONG ALL OF THE APPLICABLE POLICIES. THIS
EQUAL DIVISION OF RESPONSIBILITY MAY ONLY BE MODIFIED BY THE WRITTEN
AGREEMENT OF ALL OF THE INSURERS OF THE APPLICABLE POLICIES AND THE
OWNERS OF THOSE POLICIES.

(7) IN A CLAIMS COVERAGE INVESTIGATION, A TRANSPORTATION NETWORK
COMPANY SHALL COOPERATE WITH A LIABILITY INSURER THAT ALSO INSURES THE
DRIVER’S TRANSPORTATION NETWORK COMPANY VEHICLE, INCLUDING THE
PROVISION OF RELEVANT DATES AND TIMES DURING WHICH AN INCIDENT OCCURRED
THAT INVOLVED THE DRIVER WHILE THE DRIVER WAS LOGGED INTO A
TRANSPORTATION NETWORK COMPANY’S DIGITAL NETWORK.

(8) NOTHING IN THIS SECTION MODIFIES OR ABROGATES ANY OTHERWISE
APPLICABLE INSURANCE REQUIREMENTS SET FORTH IN TITLE 10, C.R.S.

(9) IF A TRANSPORTATION NETWORK COMPANY’S INSURER MAKES A PAYMENT FOR
A CLAIM COVERED UNDER COMPREHENSIVE COVERAGE OR COLLISION COVERAGE,
THE TRANSPORTATION NETWORK COMPANY SHALL CAUSE ITS INSURER TO ISSUE THE
PAYMENT DIRECTLY TO THE BUSINESS REPAIRING THE VEHICLE OR JOINTLY TO THE
OWNER OF THE VEHICLE AND THE PRIMARY LIENHOLDER ON THE COVERED VEHICLE.
THE COMMISSION SHALL NOT ASSESS ANY FINES AS A RESULT OF A VIOLATION OF
THIS SUBSECTION (9).

40-10.1-605. Operational requirements. (1) THE FOLLOWING REQUIREMENTS
APPLY TO THE PROVISION OF SERVICES:

(a) A DRIVER SHALL NOT PROVIDE SERVICES UNLESS A TRANSPORTATION
NETWORK COMPANY HAS MATCHED THE DRIVER TO A RIDER THROUGH A DIGITAL
NETWORK. A DRIVER SHALL NOT SOLICIT OR ACCEPT THE ON-DEMAND SUMMONING
OF A RIDE, OTHERWISE KNOWN AS A "STREET HAIL".

(b) A TRANSPORTATION NETWORK COMPANY SHALL MAKE AVAILABLE TO
PROSPECTIVE RIDERS AND DRIVERS THE METHOD BY WHICH THE TRANSPORTATION
NETWORK COMPANY CALCULATES FARES OR THE APPLICABLE RATES BEING CHARGED
AND AN OPTION TO RECEIVE AN ESTIMATED FARE.

(c) UPON COMPLETION OF A PREARRANGED RIDE, A TRANSPORTATION NETWORK
COMPANY SHALL TRANSMIT TO THE RIDER AN ELECTRONIC RECEIPT, EITHER BY
ELECTRONIC MAIL OR VIA TEXT MESSAGE, DOCUMENTING:

(I) THE POINT OF ORIGIN AND DESTINATION OF THE PREARRANGED RIDE;

(II) THE TOTAL DURATION AND DISTANCE OF THE PREARRANGED RIDE;

(III) THE TOTAL FARE PAID, INCLUDING THE BASE FARE AND ANY ADDITIONAL
CHARGES INCURRED FOR DISTANCE TRAVELED OR DURATION OF THE PREARRANGED
RIDE; AND

(IV) THE DRIVER’S FIRST NAME AND TELEPHONE NUMBER.
(d) Before permitting a person to act as a driver on its digital network, a transportation network company shall confirm that the person is at least twenty-one years of age and possesses:

(I) A valid driver’s license;

(II) Proof of automobile insurance;

(III) Proof of a Colorado vehicle registration; and

(IV) Within ninety days of the effective date of this part 6 and pursuant to commission rules, proof that the person is medically fit to drive.

(e) A driver shall not offer or provide transportation network company services for more than twelve consecutive hours.

(f) A transportation network company shall implement an intoxicating substance policy for drivers that disallows any amount of intoxication of the driver while providing services. The transportation network company shall include on its web site and mobile device application software a notice concerning the transportation network company’s intoxicating substance policy.

(g) A transportation network company shall conduct or have a certified mechanic conduct a safety inspection of a prospective driver’s vehicle before it is approved for use as a personal vehicle and shall have periodic inspections of personal vehicles conducted thereafter, at intervals of at least one inspection per year. A safety inspection shall include an inspection of:

(A) Foot brakes;

(B) Emergency brakes;

(C) Steering mechanism;

(D) Windshield;

(E) Rear window and other glass;

(F) Windshield wipers;

(G) Headlights;

(H) Tail lights;

(I) Turn indicator lights;

(J) Stop lights;
(K) Front seat adjustment mechanism;

(L) The opening, closing, and locking capability of the doors;

(M) Horn;

(N) Speedometer;

(O) Bumpers;

(P) Muffler and exhaust system;

(Q) Tire conditions, including tread depth;

(R) Interior and exterior rear-view mirrors; and

(S) Safety belts.

(II) Effective ninety days after the effective date of this Part 6, the Commission may also conduct inspections of personal vehicles.

(h) A personal vehicle must:

(I) Have at least four doors; and

(II) Be designed to carry no more than eight passengers, including the driver.

(i) A transportation network company shall make the following disclosure to a prospective driver in the prospective driver’s terms of service:

**While operating on the transportation network company’s digital network, your personal automobile insurance policy might not afford liability coverage, depending on the policy’s terms.**

(j) (I) A transportation network company shall make the following disclosure to a prospective driver in the prospective driver’s terms of service:

**If the vehicle that you plan to use to provide transportation network company services for our transportation network company has a lien against it, you must notify the lienholder that you will be using the vehicle for transportation services that may violate the terms of your contract with the lienholder.**

(II) The disclosure set forth in subparagraph (I) of this paragraph (j) must be placed prominently in the prospective driver’s written terms of service, and the prospective driver must acknowledge the terms of service electronically or by signature.
(k) A transportation network company shall make available to a rider a customer support telephone number on its digital network or website for rider inquiries.

(l) The disclosure requirements set forth in this subsection (1) take effect on July 1, 2014.

(m)(I) A transportation network company shall not disclose to a third party any personally identifiable information concerning a user of the transportation network company’s digital network unless:

(A) The transportation network company obtains the user’s consent to disclose personally identifiable information;

(B) disclosure is necessary to comply with a legal obligation; or

(C) disclosure is necessary to protect or defend the terms and conditions for use of the service or to investigate violations of the terms and conditions.

(II) The limitation on disclosure does not apply to the disclosure of aggregated user data and other information about the user that is not personally identifiable.

(n) Any taxicab company or shuttle company authorized by the commission under this article may convert to a transportation network company model or may set up a subsidiary or affiliate transportation network company. In converting to a transportation network company model or setting up a transportation network company subsidiary or affiliate, a taxicab company or shuttle company authorized by the commission under this article may completely or partially suspend its certificate of public convenience and necessity issued under Section 40-10.1-201. During the period of suspension of its certificate of public convenience and necessity, a taxicab company, shuttle company, or a subsidiary or affiliate of a taxicab company or shuttle company is exempt from taxi or shuttle standards under this article, the standards concerning the regulation of rates and charges under Article 3 of this title, and any commission rules regarding common carriers promulgated under this article or Article 3 of this title.

(o) Each transportation network company shall require that each personal vehicle providing transportation network company services display an exterior marking that identifies the personal vehicle as a vehicle for hire.

(2) A transportation network company or a third party shall retain true and accurate inspection records for at least fourteen months after an inspection was conducted for each personal vehicle used by a driver.

(3)(a) Before a person is permitted to act as a driver through use of a transportation network company’s digital network, the person shall:
(I) Obtain a criminal history record check pursuant to the procedures set forth in Section 40-10.1-110 as supplemented by the Commission’s rules promulgated under Section 40-10.1-110 or through a privately administered national criminal history record check, including the National Sex Offender Database; and

(II) If a privately administered national criminal history record check is used, provide a copy of the criminal history record check to the transportation network company.

(b) A driver shall obtain a criminal history record check in accordance with subparagraph (I) of paragraph (a) of this subsection (3) every five years while serving as a driver.

(c) (I) A person who has been convicted of or pled guilty or no lo contendere to driving under the influence of drugs or alcohol in the previous seven years before applying to become a driver shall not serve as a driver. If the criminal history record check reveals that the person has ever been convicted of or pled guilty or no lo contendere to any of the following felony offenses, the person shall not serve as a driver:

(A) An offense involving fraud, as described in Article 5 of Title 18, C.R.S.;

(B) An offense involving unlawful sexual behavior, as defined in Section 16-22-102 (9), C.R.S.;

(C) An offense against property, as described in Article 4 of Title 18, C.R.S.; or

(D) A crime of violence, as described in Section 18-1.3-406, C.R.S.

(II) A person who has been convicted of a comparable offense to the offenses listed in subparagraph (I) of this paragraph (b) in another state or in the United States shall not serve as a driver.

(III) A transportation network company or a third party shall retain true and accurate results of the criminal history record check for each driver that provides services for the transportation network company for at least five years after the criminal history record check was conducted.

(IV) A person who has, within the immediately preceding five years, been convicted of or pled guilty or no lo contendere to a felony shall not serve as a driver.

(4) (a) Before permitting an individual to act as a driver on its digital network, a transportation network company shall obtain and review a driving history research report for the individual.

(b) An individual with the following moving violations shall not serve
AS A DRIVER:

(I) More than three moving violations in the three-year period preceding the individual’s application to serve as a driver; or

(II) A major moving violation in the three-year period preceding the individual’s application to serve as a driver, whether committed in this state, another state, or the United States, including vehicular eluding, as described in section 18-9-116.5, C.R.S., reckless driving, as described in section 42-4-1401, C.R.S., and driving under restraint, as described in section 42-2-138, C.R.S.

(c) A transportation network company or a third party shall retain true and accurate results of the driving history research report for each driver that provides services for the transportation network company for at least three years.

(5) If any person files a complaint with the commission against a transportation network company or driver, the commission may inspect the transportation network company’s records as reasonably necessary to investigate and resolve the complaint.

(6)(a) A transportation network company shall provide services to the public in a nondiscriminatory manner, regardless of geographic location of the departure point or destination, once the driver and rider have been matched through the digital network; race; ethnicity; gender; sexual orientation, as defined in section 2-4-401 (13.5), C.R.S.; gender identity; or disability that could prevent customers from accessing transportation. A driver shall not refuse to transport a passenger unless:

(I) The passenger is acting in an unlawful, disorderly, or endangering manner;

(II) The passenger is unable to care for himself or herself and is not in the charge of a responsible companion; or

(III) The driver has already committed to providing a ride for another rider.

(b) A transportation network company shall not impose additional charges for providing services to persons with physical or mental disabilities because of those disabilities.

(c) A driver shall permit a service animal to accompany a rider on a prearranged ride.

(d) If a rider with physical or mental disabilities requires the use of the rider’s mobility equipment, a driver shall store the mobility equipment in the vehicle during a prearranged ride if the vehicle is reasonably capable of storing the mobility equipment. If the driver is unable to store
A rider’s mobility equipment in the driver’s vehicle, the driver shall refer the rider to another driver or transportation service provider with a vehicle that is equipped to accommodate the rider’s mobility equipment.

(7) (a) A transportation network company is not liable for a driver’s violation of subsection (6) of this section unless the driver’s violation has been previously reported to the transportation network company in writing, and the transportation network company has failed to reasonably address the alleged violation. The commission shall afford a transportation network company the same due process rights afforded transportation providers in defending against civil penalties assessed by the commission.

(b) The commission may assess a civil penalty up to five hundred fifty dollars under this subsection (7).

(8) Within ten days of receiving a complaint about a driver’s alleged violation of subsection (6) of this section, the commission shall report the complaint to the transportation network company for which the driver provides services.

(9) A driver shall immediately report to the transportation network company any refusal to transport a passenger pursuant to paragraph (a) of subsection (6) of this section, and the transportation network company shall annually report all such refusals to the commission in a form and manner determined by the commission.

40-10.1-606. Permit required for transportation network companies - penalty for violation - rules. (1) A person shall not operate a transportation network company in Colorado without first having obtained a permit from the commission.

(2) The commission shall issue a permit to each transportation network company that meets the requirements of this part 6 and pays an annual permit fee of one hundred eleven thousand two hundred fifty dollars to the commission. The commission may adjust the annual permit fee by rule to cover the commission’s direct and indirect costs associated with implementing this part 6.

(3) The commission shall determine the form and manner of application for a transportation network company permit.

(4) The commission may take action against a transportation network company as set forth in section 40-10.1-112, including issuing an order to cease and desist and suspending, revoking, altering, or amending a permit issued to the transportation network company.

(5) (a) For a violation of this part 6 or a failure to comply with a commission order, decision, or rule issued under this part 6, a transportation network company is subject to the commission’s authority under sections 40-7-101, 40-7-112, 40-7-113, 40-7-115, and 40-7-116.
(b) The Commission shall not assess a penalty against a driver.

(6) The Commission may deny an application under this part 6 or refuse to renew the permit of a transportation network company based on a determination that the transportation network company has not satisfied a civil penalty arising out of an administrative or enforcement action brought by the Commission.

40-10.1-607. Fees - transportation network company fund - creation. The Commission shall transmit all fees collected pursuant to this part 6 to the state treasurer, who shall credit the fees to the transportation network company fund, which is hereby created in the state treasury. The moneys in the fund are continuously appropriated to the Commission for the purposes set forth in this part 6. All interest earned from the investment of moneys in the fund is credited to the fund. Any moneys not expended at the end of the fiscal year remain in the fund and do not revert to the general fund or any other fund.

40-10.1-608. Rules. (1) The Commission may promulgate rules consistent with this part 6, including rules concerning administration, fees, and safety requirements.

(2) The Commission may promulgate rules requiring a transportation network company to maintain and file with the Commission evidence of financial responsibility and proof of the continued validity of the insurance policy, surety bond, or self-insurance, but shall not require a transportation network company to file a copy of the insurance policy.

SECTION 7. In Colorado Revised Statutes, add 8-41-211 as follows:

8-41-211. Transportation network company drivers - rules. Upon the effective date of part 6 of article 10.1 of title 40, C.R.S., the director, upon consideration of existing Colorado statutory and case law, may by rule determine whether or not transportation network companies have an obligation under existing Colorado law to provide or offer for purchase workers’ compensation insurance coverage to transportation network company drivers.

SECTION 8. Appropriation. (1) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the transportation network company fund created in section 40-10.1-607, Colorado Revised Statutes, not otherwise appropriated, to the department of regulatory agencies, for the fiscal year beginning July 1, 2014, the sum of $179,777 and 2.5 FTE, or so much thereof as may be necessary, for allocation to the public utilities commission for the administrative costs related to the implementation of this act.

(2) In addition to any other appropriation, there is hereby appropriated to the department of law, for the fiscal year beginning July 1, 2014, the sum of $9,108 and 0.1 FTE, or so much thereof as may be necessary, for the provision of legal services for the public utilities commission related to the implementation of this act. Said sum is from reappropriated funds received from the department of regulatory
agencies out of the appropriation made in subsection (1) of this section.

**SECTION 9. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: June 5, 2014