



**Legislative Council Staff**  
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**Fiscal Note  
 Memorandum**

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**TO:** Representative Pabon  
 Members of the House Transportation and Energy Committee

**FROM:** Erin Reynolds, Senior Fiscal Analyst  
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**SUBJECT:** Fiscal Assessment of Proposed Amendment HB1320\_L.001.

This memorandum is an assessment of the fiscal impact of the attached proposed strike-below amendment L.001 to House Bill 18-1320. This fiscal assessment is for the impact of the bill with inclusion of this amendment only. Any other added amendment could influence the fiscal impact.

**Summary of Proposed Amendment**

Amendment L.001 creates a regulatory structure in the Public Utilities Commission (PUC) in the Department of Regulatory Agencies specific to large-market taxicab services. It omits the requirement that the PUC require every taxicab service company to collect individual driving record information for all drivers as well as information about violations that occurred while a driver was providing taxicab services that was present in the introduced version of the bill.

**Fiscal Impact of Amendment**

Amendment L.001 removes the requirement that the PUC develop and maintain a taxicab driver database, which removes the state cash fund expenditure impact of \$194,179 and 0.9 FTE in FY 2018-19 and \$74,541 and 1.0 FTE in FY 2019-20, and the related state cash fund revenue fee increase to pay for these costs.

**Bill's Revised Fiscal Impact with Amendment**

As amended by L.001, HB 18-1320 will have a minimal workload impact on the PUC to perform rulemaking to implement the bill in FY 2018-19. No appropriation is required.

HOUSE COMMITTEE OF REFERENCE AMENDMENT

Committee on Transportation & Energy.

HB18-1320 be amended as follows:

1 Amend printed bill, strike everything below the enacting clause and  
2 substitute:

3 "SECTION 1. In Colorado Revised Statutes, 40-1-102, **amend**  
4 the introductory portion and (3)(b) as follows:

5 **40-1-102. Definitions.** As used in articles 1 to 7 of this title **40**,  
6 unless the context otherwise requires:

7 (3) (b) "Common carrier" does not include a motor carrier that  
8 provides transportation not subject to regulation pursuant to section  
9 40-10.1-105, a motor carrier that is subject to part 3, 4, ~~or~~ 5, OR 7 of  
10 article 10.1 of this title **40**, a transportation network company, as defined  
11 in section 40-10.1-602 (3), or a transportation network company driver,  
12 as defined in section 40-10.1-602 (4).

13 **SECTION 2.** In Colorado Revised Statutes, 40-1-103, **amend** (3)  
14 as follows:

15 **40-1-103. Public utility defined.** (3) For the purposes of articles  
16 1 to 7 of this title **40**, a motor carrier that provides transportation not  
17 subject to regulation pursuant to section 40-10.1-105 or that is subject to  
18 part 3, 4, ~~or~~ 5, OR 7 of article 10.1 of this title **40** is not a public utility.

19 **SECTION 3.** In Colorado Revised Statutes, 40-7-113, **amend**  
20 (1)(b) as follows:

21 **40-7-113. Civil penalties - fines.** (1) In addition to any other  
22 penalty otherwise authorized by law and except as otherwise provided in  
23 subsections (3) and (4) of this section, any person who violates article  
24 10.1 or 10.5 of this title 40 or any rule promulgated by the commission  
25 pursuant to article 10.1 or 10.5, which article or rule is applicable to the  
26 person, may be subject to fines as specified in the following paragraphs:

27 (b) Any person who violates section 40-10.1-201 (1), 40-10.1-202  
28 (1)(a), 40-10.1-302 (1)(a), 40-10.1-401 (1)(a), ~~or~~ 40-10.1-502 (1)(a), OR  
29 **40-10.1-702 (1)(a)** may be assessed a civil penalty of not more than one  
30 thousand one hundred dollars.

31 **SECTION 4.** In Colorado Revised Statutes, 40-10.1-101, **amend**  
32 the introductory portion, (4), and (14); and **add** (9.5) as follows:

33 **40-10.1-101. Definitions.** As used in this article **10.1**, unless the  
34 context otherwise requires:

35 (4) "Common carrier" means a common carrier as defined in  
36 section 40-1-102; except that the term does not include:

37 (a) A contract carrier as defined in this section; ~~or~~

38 (b) A motor carrier of passengers under part 3 of this article **10.1**;

39 OR

1 (c) A MOTOR CARRIER OF PASSENGERS PROVIDING LARGE-MARKET  
2 TAXICAB SERVICE UNDER PART 7 OF THIS ARTICLE 10.1.

3 (9.5) "LARGE-MARKET TAXICAB SERVICE" MEANS INDISCRIMINATE  
4 PASSENGER TRANSPORTATION FOR COMPENSATION IN A TAXICAB ON A  
5 CALL-AND-DEMAND BASIS, WITHIN AND BETWEEN POINTS IN THE COUNTIES  
6 OF ADAMS, ARAPAHOE, BOULDER, BROOMFIELD, DENVER, DOUGLAS, EL  
7 PASO, JEFFERSON, LARIMER, AND WELD, AND BETWEEN THOSE POINTS  
8 AND ALL POINTS WITHIN THE STATE OF COLORADO, WITH THE FIRST  
9 PASSENGER IN THE TAXICAB HAVING EXCLUSIVE USE OF THE TAXICAB  
10 UNLESS THE PASSENGER AGREES TO MULTIPLE LOADINGS.

11 (14) "Permit" means the permit issued to a contract carrier under  
12 part 2 of this article *10.1* or to a motor carrier under part 3, 4, or 5, OR 7  
13 of this article *10.1*.

14 **SECTION 5.** In Colorado Revised Statutes, 40-10.1-109, **amend**  
15 (1) as follows:

16 **40-10.1-109. Motor carrier compliance with safety rules.** (1) A  
17 motor carrier subject to part 2, or 3, OR 7 of this article *10.1* shall comply  
18 with the safety rules adopted by the commission pursuant to section  
19 40-10.1-108.

20 **SECTION 6.** In Colorado Revised Statutes, 40-10.1-110, **amend**  
21 (1) as follows:

22 **40-10.1-110. Criminal history record check - rules.** (1) An  
23 individual who wishes to drive either a taxicab for a motor carrier that is  
24 the holder of a certificate to provide taxicab service issued under part 2  
25 of this article or *10.1*; a motor vehicle for a motor carrier that is the holder  
26 of a permit to operate as a charter bus, children's activity bus, luxury  
27 limousine, medicaid client transport, or off-road scenic charter under part  
28 3 of this article *10.1*; OR A MOTOR VEHICLE FOR A MOTOR CARRIER THAT  
29 IS THE HOLDER OF A PERMIT TO OPERATE AS A LARGE-MARKET TAXICAB  
30 SERVICE UNDER PART 7 OF THIS ARTICLE 10.1 shall submit a set of his or  
31 her fingerprints to the commission. The commission shall forward the  
32 fingerprints to the Colorado bureau of investigation for the purpose of  
33 obtaining a fingerprint-based criminal history record check. Upon receipt  
34 of fingerprints and payment for the costs, the Colorado bureau of  
35 investigation shall conduct a state and national fingerprint-based criminal  
36 history record check using records of the Colorado bureau of  
37 investigation and the federal bureau of investigation. The commission is  
38 the authorized agency to receive information regarding the result of a  
39 national criminal history record check. The individual whose fingerprints  
40 are checked shall pay the actual costs of the state and national  
41 fingerprint-based criminal history record check.

42 **SECTION 7.** In Colorado Revised Statutes, 40-10.1-111, **amend**  
43 (1) introductory portion and (1)(b) as follows:

1           **40-10.1-111. Filing, issuance, and annual fees.** (1) A motor  
2 carrier shall pay the commission the following fees in amounts prescribed  
3 in this section or, if not so prescribed IN THIS SECTION, as set  
4 administratively by the commission with approval of the executive  
5 director of the department of regulatory agencies:

6           (b) The commission shall administratively set the ANNUAL filing  
7 fee for an application A PERMIT TO OPERATE under part 2 7 of this article  
8 **10.1** to provide LARGE-MARKET taxicab service. ~~within and between the~~  
9 ~~counties of Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, El~~  
10 ~~Paso, and Jefferson.~~

11           **SECTION 8.** In Colorado Revised Statutes, 40-10.1-203, amend  
12 (2)(b)(II), (2)(c)(III), and (3); and repeal (2)(c)(I)(A) as follows:

13           **40-10.1-203. Rules for issuance of certificate - standing to**  
14 **protest - judicial review - legislative declaration.**

15           (2) (b) (II) ~~(A) The general assembly hereby finds, determines,~~  
16 ~~and declares that House Bill 15-1316 may open the door to multiple~~  
17 ~~taxicab companies entering the taxicab service market within the~~  
18 ~~metropolitan areas of Colorado and will lead to free market competition,~~  
19 ~~expanded consumer choice, and improved quality of service:~~

20           (B) The general assembly further finds, determines, and declares  
21 that nothing in this subparagraph ~~(H)~~ SUBSECTION (2) requires or prohibits  
22 a taxicab company applying for a certificate to form a labor union nor  
23 requires any taxicab driver to join a labor union.

24           ~~(C) In an application for a certificate to provide taxicab service~~  
25 ~~within and between the counties of Adams, Arapahoe, Boulder,~~  
26 ~~Broomfield, Denver, Douglas, El Paso, and Jefferson, the applicant has~~  
27 ~~the burden of proving that it is operationally and financially fit to provide~~  
28 ~~the proposed service. The commission shall not consider the applicant's~~  
29 ~~corporate structure when determining whether to approve or disapprove~~  
30 ~~the application for a certificate. The applicant need not prove the~~  
31 ~~inadequacy of existing taxicab service, if any, within the applicant's~~  
32 ~~proposed geographic area of operation. If the commission determines that~~  
33 ~~the applicant has proved its operational and financial fitness, the~~  
34 ~~commission shall grant the applicant a certificate.~~

35           (c) (I) ~~(A) The holder of a certificate that contains authority to~~  
36 ~~operate a taxicab service between points in the city and county of Denver~~  
37 ~~also holds taxicab service authority from points in the city and county of~~  
38 ~~Denver to all points in this state.~~

39           (III) The commission shall amend, by order and without notice or  
40 hearing, any existing taxicab service certificate as ~~described in~~  
41 ~~subparagraph (I) or (H) of this paragraph (c) to allow service from points~~  
42 ~~in the city and county of Denver to either all points in this state or all~~  
43 ~~points within the common carrier's base area to conform with the~~

1 ~~directives contained in said subparagraph (I) or (H)~~ BY REMOVING ALL  
2 LANGUAGE AUTHORIZING LARGE-MARKET TAXICAB SERVICE OFFERED IN  
3 ACCORDANCE WITH PART 7 OF THIS ARTICLE 10.1.

4 (3) When ~~an appeal~~ A REQUEST FOR RECONSIDERATION of a  
5 ~~commission~~ WRITTEN RECOMMENDED decision under this section has been  
6 made by filing exceptions pursuant to section 40-6-109 and the  
7 commission has rendered a final decision on ~~such~~ THE exceptions as  
8 provided in article 6 of this title **40**, any party ~~thereto~~ TO THE PROCEEDING  
9 may, within thirty days after the final decision, apply directly to a district  
10 court in this state for judicial review pursuant to section 40-6-115. For  
11 purposes of judicial review, a decision of the commission on exceptions  
12 is final on the date the decision is served on the parties to the proceeding.

13 **SECTION 9.** In Colorado Revised Statutes, **add** part 7 to article  
14 10.1 of title 40 as follows:

15 PART 7

16 LARGE-MARKET TAXICAB SERVICES

17 **40-10.1-701. Legislative declaration.** (1) THE GENERAL  
18 ASSEMBLY FINDS AND DECLARES THAT:

19 (a) NOTHING IN THIS PART 7 REQUIRES OR PROHIBITS A MOTOR  
20 CARRIER APPLYING FOR A PERMIT PURSUANT TO SECTION 40-10.1-702  
21 (1)(a) TO FORM A LABOR UNION NOR REQUIRES ANY LARGE-MARKET  
22 TAXICAB SERVICE DRIVER TO JOIN A LABOR UNION; AND

23 (b) IF A MOTOR CARRIER PREVIOUSLY OBTAINED A CERTIFICATE OF  
24 PUBLIC CONVENIENCE AND NECESSITY TO PROVIDE TAXICAB SERVICE  
25 PURSUANT TO SECTION 40-10.1-201 AND THE CERTIFICATE REMAINS VALID  
26 AT A TIME THAT THE MOTOR CARRIER SUBSEQUENTLY OBTAINS A PERMIT  
27 TO OPERATE LARGE-MARKET TAXICAB SERVICE UNDER THIS PART 7, THE  
28 MOTOR CARRIER'S CERTIFICATE CONSTITUTES A DEVALUED ASSET FOR THE  
29 MOTOR CARRIER.

30 **40-10.1-702. Large-market taxicab service - permit required**  
31 **- rules.** (1) (a) ON AND AFTER JANUARY 1, 2019, A PERSON SHALL NOT  
32 OPERATE OR OFFER TO OPERATE A LARGE-MARKET TAXICAB SERVICE IN  
33 INTRASTATE COMMERCE WITHOUT FIRST HAVING OBTAINED A PERMIT TO  
34 OPERATE LARGE-MARKET TAXICAB SERVICE FROM THE COMMISSION IN  
35 ACCORDANCE WITH THIS PART 7.

36 (b) A PERSON MAY APPLY FOR A PERMIT IN A FORM AND MANNER  
37 PRESCRIBED BY THE COMMISSION.

38 (c) A PERMIT ISSUED PURSUANT TO THIS SECTION IS VALID FOR ONE  
39 YEAR AFTER THE DATE OF ISSUANCE.

40 (2) EXCEPT AS PROVIDED IN SECTION 40-10.1-704, THE  
41 COMMISSION SHALL ISSUE A PERMIT TO A MOTOR CARRIER OF PASSENGERS  
42 UPON COMPLETION OF THE APPLICATION FILED PURSUANT TO SUBSECTION  
43 (1) OF THIS SECTION, THE PAYMENT OF A FEE DETERMINED BY THE

1 COMMISSION, COMPLIANCE WITH THE FINANCIAL RESPONSIBILITY  
2 REQUIREMENTS ESTABLISHED BY RULE BY THE COMMISSION PURSUANT TO  
3 SECTION 40-10.1-107, AND SUBMISSION OF CURRENT RATE INFORMATION  
4 PURSUANT TO SECTION 40-10.1-705.

5 (3) IN ORDER TO OBTAIN A PERMIT UNDER THIS SECTION, AN  
6 APPLICANT MUST DEMONSTRATE THAT EACH VEHICLE OPERATED UNDER  
7 THE PERMIT HAS BEEN INSPECTED WITHIN THE IMMEDIATELY PRECEDING  
8 TWELVE MONTHS BY A QUALIFIED MECHANIC IN ACCORDANCE WITH RULES  
9 PROMULGATED BY THE COMMISSION.

10 (4) (a) EXCEPT AS PROVIDED IN SUBSECTION (4)(b) OF THIS  
11 SECTION, A MOTOR CARRIER PROVIDING LARGE-MARKET TAXICAB SERVICE  
12 MUST HAVE AT LEAST TWENTY-FIVE VEHICLES IN ITS FLEET AT ALL TIMES.

13 (b) IN EL PASO, LARIMER, AND WELD COUNTIES, A MOTOR  
14 CARRIER PROVIDING LARGE-MARKET TAXICAB SERVICE MUST HAVE AT  
15 LEAST TEN VEHICLES IN ITS FLEET AT ALL TIMES.

16 (5) FOR EACH COUNTY SERVED BY A MOTOR CARRIER PROVIDING  
17 LARGE-MARKET TAXICAB SERVICE PURSUANT TO THIS PART 7, THE  
18 COMMISSION SHALL BY RULE DETERMINE THE MAXIMUM RATE THAT A  
19 MOTOR CARRIER PROVIDING LARGE-MARKET TAXICAB SERVICE MAY  
20 CHARGE ITS PASSENGERS.

21 **40-10.1-703. Large-market taxicab service license plates -**  
22 **rules.** (1) THE COMMISSION SHALL CREATE EITHER A DOCUMENT OR AN  
23 ELECTRONIC SYSTEM THAT A PERSON AUTHORIZED TO PROVIDE  
24 LARGE-MARKET TAXICAB SERVICE UNDER THIS PART 7 MAY USE TO VERIFY  
25 TO THE DEPARTMENT OF REVENUE OR THE DEPARTMENT'S AUTHORIZED  
26 AGENT THAT THE PERSON PROVIDES LARGE-MARKET TAXICAB SERVICE.

27 (2) UPON REQUEST, THE COMMISSION SHALL:

28 (a) IF THE COMMISSION CREATES A DOCUMENT PURSUANT TO  
29 SUBSECTION (1) OF THIS SECTION, PROVIDE THE DOCUMENT TO THE PERSON  
30 AUTHORIZED TO PROVIDE LARGE-MARKET TAXICAB SERVICE; OR

31 (b) IF THE COMMISSION CREATES AN ELECTRONIC SYSTEM  
32 PURSUANT TO SUBSECTION (1) OF THIS SECTION, PROVIDE THE ELECTRONIC  
33 VERIFICATION TO THE DEPARTMENT OF REVENUE OR ITS AUTHORIZED  
34 AGENT.

35 (3) THE COMMISSION MAY PROMULGATE RULES TO IMPLEMENT  
36 THIS SECTION AND TO ENFORCE SECTION 42-3-236.

37 **40-10.1-704. Permit revocation.** (1) IF A MOTOR CARRIER THAT  
38 HOLDS A PERMIT UNDER THIS PART 7 FAILS TO COMPLY WITH A FINAL  
39 COMMISSION DECISION THAT ASSESSES A FINE OR CIVIL PENALTY  
40 PURSUANT TO SECTION 40-7-113 FOR A VIOLATION OF THIS ARTICLE 10.1  
41 OR A RULE ADOPTED PURSUANT TO THIS ARTICLE 10.1, THE MOTOR  
42 CARRIER'S PERMIT IS REVOKED IMMEDIATELY. ANY OF THE FOLLOWING  
43 PERSONS ARE DISQUALIFIED FROM APPLYING FOR A PERMIT FOR

1 TWENTY-FOUR MONTHS AFTER THE DATE OF THE PERMIT REVOCATION:  
2 (a) THE MOTOR CARRIER;  
3 (b) AN OWNER, PRINCIPAL, OFFICER, MEMBER, PARTNER, OR  
4 DIRECTOR OF THE MOTOR CARRIER; AND  
5 (c) ANY OTHER ENTITY OWNED OR OPERATED BY AN OWNER,  
6 PRINCIPAL, OFFICER, MEMBER, PARTNER, OR DIRECTOR OF THE MOTOR  
7 CARRIER.  
8 (2) THE DISQUALIFICATION SET FORTH IN SUBSECTION (1) OF THIS  
9 SECTION DOES NOT APPLY TO REVOCATION BASED ON A FAILURE TO CARRY  
10 INSURANCE UNLESS THE PERSON KNOWINGLY OPERATED THE MOTOR  
11 CARRIER WITHOUT INSURANCE.  
12 (3) THE DISQUALIFICATION SET FORTH IN SUBSECTION (1) OF THIS  
13 SECTION IS IN ADDITION TO AND NOT IN LIEU OF ANY OTHER PENALTY OR  
14 DISQUALIFICATION, INCLUDING THE PERIOD OF DISQUALIFICATION  
15 SPECIFIED IN SECTION 40-10.1-112 (4).  
16 **40-10.1-705. Rates - limitations - rules.** (1) EXCEPT AS  
17 PROVIDED IN SUBSECTIONS (2) AND (3) OF THIS SECTION, LARGE-MARKET  
18 TAXICAB SERVICES ARE NOT SUBJECT TO RATE LIMITATIONS IMPOSED  
19 UNDER PART 2 OF THIS ARTICLE 10.1.  
20 (2) (a) A MOTOR CARRIER OPERATING A LARGE-MARKET TAXICAB  
21 SERVICE SHALL FILE WITH THE COMMISSION, IN THE FORM AND MANNER  
22 THAT THE COMMISSION MAY DESIGNATE, A SCHEDULE SHOWING THE  
23 RATES, CHARGES, AND COLLECTIONS THAT THE MOTOR CARRIER  
24 COLLECTS, ENFORCES, OR INTENDS TO COLLECT OR ENFORCE THAT AFFECT  
25 OR RELATE TO THE MOTOR CARRIER'S LARGE-MARKET TAXICAB SERVICE  
26 OPERATIONS.  
27 (b) THE COMMISSION SHALL NOT LIMIT THE NUMBER OR  
28 FREQUENCY OF RATE SCHEDULES THAT A MOTOR CARRIER MAY FILE WITH  
29 THE COMMISSION PURSUANT TO SUBSECTION (2)(a) OF THIS SECTION.  
30 (c) THE COMMISSION SHALL NOT REJECT A RATE SCHEDULE FILED  
31 WITH THE COMMISSION UNLESS THE SCHEDULE WAS NOT FILED IN THE  
32 FORM AND MANNER DESIGNATED BY THE COMMISSION PURSUANT TO  
33 SUBSECTION (2)(a) OF THIS SECTION. THE COMMISSION SHALL NOT AMEND  
34 ANY RATE SCHEDULE FILED WITH THE COMMISSION PURSUANT TO THIS  
35 SECTION.  
36 (3) IT IS UNLAWFUL FOR A MOTOR CARRIER OPERATING A  
37 LARGE-MARKET TAXICAB SERVICE TO CARRY OR ADVERTISE THAT IT WILL  
38 CARRY INDIVIDUALS IN A MANNER CONTRARY TO THE FILING REQUIRED  
39 UNDER SUBSECTION (2)(a) OF THIS SECTION.  
40 (4) THE COMMISSION MAY PROMULGATE RULES CONSISTENT WITH  
41 THIS SECTION TO IMPLEMENT THE SYSTEM OF SCHEDULE FILINGS REQUIRED  
42 BY THIS SECTION.

43 **SECTION 10.** In Colorado Revised Statutes, 42-3-236, **amend**

1 (2) and (5) as follows:

2 **42-3-236. Taxicab license plates - taxicabs.** (2) A person who  
3 THAT is authorized to provide taxicab service OR LARGE-MARKET TAXICAB  
4 SERVICE under article 10.1 of title 40 ~~C.R.S.~~, shall register a motor  
5 vehicle used for taxicab purposes under this article 3 and display taxicab  
6 license plates on the vehicle. Upon registration, the department shall issue  
7 taxicab license plates for the vehicle in accordance with this section. The  
8 department shall not issue a taxicab license plate unless the person either  
9 submits a verification document or the public utilities commission  
10 electronically verifies the authorization as provided in section  
11 40-10.1-207. ~~C.R.S.~~

12 (5) If the person who owns the motor vehicle with taxicab license  
13 plates is not the person under whose authority the motor vehicle operates  
14 under article 10.1 of title 40, ~~C.R.S.~~, the person with the authority may  
15 request that the department of revenue require the plate to be replaced.  
16 Within thirty days after receiving the request, the department shall require  
17 the owner of the motor vehicle to return the taxicab license plate and be  
18 issued a new license plate. The owner of the motor vehicle shall surrender  
19 the taxicab license plate to the department within ten days after receiving  
20 notice from the department unless the owner of the motor vehicle obtains  
21 authority to operate a taxicab under part 2 OR 7 of article 10.1 of title 40,  
22 ~~C.R.S.~~, either directly or as an agent, and either the person submits a  
23 verification document or the public utilities commission electronically  
24 verifies the authorization as provided in section 40-10.1-207. ~~C.R.S.~~

25 **SECTION 11. Act subject to petition - effective date.** This act  
26 takes effect at 12:01 a.m. on the day following the expiration of the  
27 ninety-day period after final adjournment of the general assembly (August  
28 8, 2018, if adjournment sine die is on May 9, 2018); except that, if a  
29 referendum petition is filed pursuant to section 1 (3) of article V of the  
30 state constitution against this act or an item, section, or part of this act  
31 within such period, then the act, item, section, or part will not take effect  
32 unless approved by the people at the general election to be held in  
33 November 2018 and, in such case, will take effect on the date of the  
34 official declaration of the vote thereon by the governor."

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