



## Legislative Council Staff

*Nonpartisan Services for Colorado's Legislature*

# Final Fiscal Note

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<b>Drafting Number:</b>	LLS 22-0894	<b>Date:</b>	September 13, 2022
<b>Prime Sponsors:</b>	Sen. Zenzinger Rep. Kipp; Rich	<b>Bill Status:</b>	Signed into Law
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**Bill Topic:** PUBLIC AND NONPROFIT ENTITIES RIDESHARE CONTRACTS

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**Summary of Fiscal Impact:**

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input checked="" type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

This bill subjects transportation network companies contracting with schools, governments, and tax-exempt entities to Public Utilities Commission regulation. It will increase state and local workload beginning in the current FY 2021-22.

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**Appropriation Summary:** No appropriation is required.

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**Fiscal Note Status:** The fiscal note reflects the enacted bill.

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## Summary of Legislation

The bill subjects ridesharing companies (transportation network companies, or TNCs) that provide services to a school, a school district, the federal government, a state, a political subdivision of a state, or a tax-exempt entity to regulation by the Public Utilities Commission (PUC).

TNCs providing services to schools must:

- enter into a contract that includes safety provisions for student transportation;
- use a technology-enabled integrated solution that provides end-to-end visibility using the global positioning system for the TNC, the student's legal guardian, and the person that scheduled the ride;
- ensure that each driver providing the service receives training in mandatory reporting requirements, safe driving practices, first aid and CPR, education on special considerations for transporting students with disabilities, emergency preparedness, and safe pick-up and drop-off procedures; and
- not use a driver who has been convicted of or pled guilty or nolo contendere to certain offenses.

Further, the PUC is required to promulgate rules in coordination with the Department of Education regarding minimum safety standards for TNCs providing student services; rules determining TNC requirements to notify relevant parties of any safety or security incidents involving students; and rules requiring TNCs to report information related to driver background checks, insurance coverage, and data reporting, consistent with the type of service provided, as it relates to service for students. The PUC must review and, as necessary, update the rules once every three years.

## **State Expenditures**

This bill will increase workload in the state agencies discussed below.

**Public Utilities Commission.** Workload will increase for the PUC in the Department of Regulatory Agencies to regulate additional TNC services. Related rulemaking is assumed to be accomplished within existing appropriations of the PUC and the Department of Law.

**Department of Education.** The department will coordinate with the PUC to promulgate rules within existing resources.

**Department of Personnel and Administration.** Assuming any state contracts with TNCs indemnify the state against liability, the bill is not expected to increase expenditures to the Office of Risk Management. The office will monitor these contracts within the normal course of business.

## **Local Governments and School Districts**

Similar to the state, the fiscal note assumes any local government or school district contracting with a TNC will ensure they are indemnified against liability in the contract.

## **Effective Date**

The bill was signed into law by the Governor and took effect May 27, 2022.

## **State and Local Government Contacts**

Counties  
Health Care Policy and Financing  
Information Technology  
Personnel  
School Districts

Education  
Human Services  
Law  
Regulatory Agencies