Second Regular Session Seventy-first General Assembly STATE OF COLORADO

ENGROSSED

This Version Includes All Amendments Adopted on Second Reading in the House of Introduction

LLS NO. 18-1045.01 Jennifer Berman x3286

HOUSE BILL 18-1320

HOUSE SPONSORSHIP

Pabon,

SENATE SPONSORSHIP

Jahn,

House Committees

Transportation & Energy

Senate Committees

	A BILL FOR AN ACT
101	CONCERNING A REDUCTION IN REGULATION OF LARGE-MARKET
102	TAXICAB SERVICE FROM REGULATION AS A COMMON CARRIER
103	TO REGULATION AS A MOTOR CARRIER OF PASSENGERS.

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 reduces the regulation of taxicab service provided in large metropolitan areas by changing taxicab service provided in such areas from common carrier status to motor carrier status.

Sections 1 and 2 of the bill remove common carrier status for large-market taxicab service, which term is defined in section 2 as taxicab

service serving within and between counties with a population of 70,000 or more, and **section 6** removes large-market taxicab service providers from the common carrier obligation to obtain a certificate of public convenience and necessity.

Sections 9 and 11 require large-market taxicab service providers to operate as motor carriers. As motor carriers, large-market taxicab service providers are required to obtain an annual permit (section 9) and are subject to the public utilities commission's regulations regarding safety and operational requirements, but not subject to regulations regarding times of operation, rates, or competition (section 11).

Section 4 continues to require drivers for a large-market taxicab service company to obtain a fingerprint-based criminal history record check

Section 3 declares large-market taxicab service to be affected with a public interest. Large-market taxicab service operators are still required to indiscriminately accept and carry passengers for compensation.

Section 11 requires the public utilities commission to promulgate rules requiring taxicab service and large-market taxicab service companies to collect information about each driver's driving record and violations and periodically to provide the information to the commission. A taxicab service or large-market taxicab service company may request that the commission share with the company information about a specific driver that any other taxicab service or large-market taxicab service company has provided to the commission. The commission is required otherwise to maintain the confidentiality of the information, and the information is not subject to disclosure under the "Colorado Open Records Act".

Sections 5, 7, 8, 10, and 12 make conforming amendments.

1 Be it enacted by the General Assembly of the State of Colorado: 2 **SECTION 1.** In Colorado Revised Statutes, 40-1-102, amend the 3 introductory portion and (3)(b) as follows: 4 **40-1-102. Definitions.** As used in articles 1 to 7 of this title **40**, 5 unless the context otherwise requires: 6 (3) (b) "Common carrier" does not include a motor carrier that 7 provides transportation not subject to regulation pursuant to section 8 40-10.1-105, a motor carrier that is subject to part 3, 4, or 5, OR 7 of 9 article 10.1 of this title 40, a transportation network company, as defined

-2- 1320

1	in section 40-10.1-602 (3), or a transportation network company driver,
2	as defined in section 40-10.1-602 (4).
3	SECTION 2. In Colorado Revised Statutes, 40-1-103, amend (3)
4	as follows:
5	40-1-103. Public utility defined. (3) For the purposes of articles
6	1 to 7 of this title 40, a motor carrier that provides transportation not
7	subject to regulation pursuant to section 40-10.1-105 or that is subject to
8	part 3, 4, or 5, OR 7 of article 10.1 of this title 40 is not a public utility.
9	SECTION 3. In Colorado Revised Statutes, 40-7-113, amend
10	(1)(b) as follows:
11	40-7-113. Civil penalties - fines. (1) In addition to any other
12	penalty otherwise authorized by law and except as otherwise provided in
13	subsections (3) and (4) of this section, any person who violates article
14	10.1 or 10.5 of this title 40 or any rule promulgated by the commission
15	pursuant to article 10.1 or 10.5, which article or rule is applicable to the
16	person, may be subject to fines as specified in the following paragraphs:
17	(b) Any person who violates section 40-10.1-201 (1), 40-10.1-202
18	(1)(a), 40-10.1-302 (1)(a), 40-10.1-401 (1)(a), or 40-10.1-502 (1)(a), OR
19	40-10.1-702 (1)(a) may be assessed a civil penalty of not more than one
20	thousand one hundred dollars.
21	SECTION 4. In Colorado Revised Statutes, 40-10.1-101, amend
22	the introductory portion, (4), and (14); and add (9.5) as follows:
23	40-10.1-101. Definitions. As used in this article 10.1 , unless the
24	context otherwise requires:
25	(4) "Common carrier" means a common carrier as defined in
26	section 40-1-102; except that the term does not include:
27	(a) A contract carrier as defined in this section; or

-3-

1	(b) A motor carrier of passengers under part 3 of this article 10.1 ;
2	OR
3	(c) A MOTOR CARRIER OF PASSENGERS PROVIDING LARGE-MARKET
4	TAXICAB SERVICE UNDER PART $\overline{7}$ OF THIS ARTICLE 10.1 .
5	(9.5) "LARGE-MARKET TAXICAB SERVICE" MEANS INDISCRIMINATE
6	PASSENGER TRANSPORTATION FOR COMPENSATION IN A TAXICAB ON A
7	CALL-AND-DEMAND BASIS, WITHIN AND BETWEEN POINTS IN THE COUNTIES
8	OF ADAMS, ARAPAHOE, BOULDER, BROOMFIELD, DENVER, DOUGLAS, EL
9	PASO, JEFFERSON, LARIMER, AND WELD, AND BETWEEN THOSE POINTS
10	AND ALL POINTS WITHIN THE STATE OF COLORADO, WITH THE FIRST
11	PASSENGER IN THE TAXICAB HAVING EXCLUSIVE USE OF THE TAXICAB
12	UNLESS THE PASSENGER AGREES TO MULTIPLE LOADINGS.
13	(14) "Permit" means the permit issued to a contract carrier under
14	part 2 of this article 10.1 or to a motor carrier under part 3, 4, or 5, OR 7
15	of this article 10.1.
16	SECTION 5. In Colorado Revised Statutes, 40-10.1-109, amend
17	(1) as follows:
18	40-10.1-109. Motor carrier compliance with safety rules. (1) A
19	motor carrier subject to part 2, or 3, OR 7 of this article 10.1 shall comply
20	with the safety rules adopted by the commission pursuant to section
21	40-10.1-108.
22	SECTION 6. In Colorado Revised Statutes, 40-10.1-110, amend
23	(1) as follows:
24	40-10.1-110. Criminal history record check - rules. (1) An
25	individual who wishes to drive either a taxicab for a motor carrier that is
26	the holder of a certificate to provide taxicab service issued under part 2
27	of this article or 10.1; a motor vehicle for a motor carrier that is the holder

-4- 1320

1	of a permit to operate as a charter bus, children's activity bus, luxury
2	limousine, medicaid client transport, or off-road scenic charter under part
3	3 of this article 10.1; OR A MOTOR VEHICLE FOR A MOTOR CARRIER THAT
4	IS THE HOLDER OF A PERMIT TO OPERATE AS A LARGE-MARKET TAXICAB
5	SERVICE UNDER PART 7 OF THIS ARTICLE 10.1 shall submit a set of his or
6	her fingerprints to the commission. The commission shall forward the
7	fingerprints to the Colorado bureau of investigation for the purpose of
8	obtaining a fingerprint-based criminal history record check. Upon receipt
9	of fingerprints and payment for the costs, the Colorado bureau of
10	investigation shall conduct a state and national fingerprint-based criminal
11	history record check using records of the Colorado bureau of
12	investigation and the federal bureau of investigation. The commission is
13	the authorized agency to receive information regarding the result of a
14	national criminal history record check. The individual whose fingerprints
15	are checked shall pay the actual costs of the state and national
16	fingerprint-based criminal history record check.
17	SECTION 7. In Colorado Revised Statutes, 40-10.1-111, amend
18	(1) introductory portion and (1)(b) as follows:
19	40-10.1-111. Filing, issuance, and annual fees. (1) A motor
20	carrier shall pay the commission the following fees in amounts prescribed
21	in this section or, if not so prescribed IN THIS SECTION, as set
22	administratively by the commission with approval of the executive
23	director of the department of regulatory agencies:
24	(b) The commission shall administratively set the ANNUAL filing
25	fee for an application A PERMIT TO OPERATE under part 2 7 of this article
26	10.1 to provide LARGE-MARKET taxicab service. within and between the
27	counties of Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, El

-5- 1320

1	Paso, and Jefferson.
2	SECTION 8. In Colorado Revised Statutes, 40-10.1-203, amend
3	(2)(b)(II), (2)(c)(III), and (3); and repeal (2)(c)(I)(A) as follows:
4	40-10.1-203. Rules for issuance of certificate - standing to
5	protest - judicial review - legislative declaration.
6	(2) (b) (II) (A) The general assembly hereby finds, determines,
7	and declares that House Bill 15-1316 may open the door to multiple
8	taxicab companies entering the taxicab service market within the
9	metropolitan areas of Colorado and will lead to free market competition,
10	expanded consumer choice, and improved quality of service.
11	(B) The general assembly further finds, determines, and declares
12	that nothing in this $\frac{\text{subparagraph}(H)}{\text{SUBSECTION}}$ SUBSECTION (2) requires or prohibits
13	a taxicab company applying for a certificate to form a labor union nor
14	requires any taxicab driver to join a labor union.
15	(C) In an application for a certificate to provide taxicab service
16	within and between the counties of Adams, Arapahoe, Boulder,
17	Broomfield, Denver, Douglas, El Paso, and Jefferson, the applicant has
18	the burden of proving that it is operationally and financially fit to provide
19	the proposed service. The commission shall not consider the applicant's
20	corporate structure when determining whether to approve or disapprove
21	the application for a certificate. The applicant need not prove the
22	inadequacy of existing taxicab service, if any, within the applicant's
23	proposed geographic area of operation. If the commission determines that
24	the applicant has proved its operational and financial fitness, the
25	commission shall grant the applicant a certificate.
26	(c) (I) (A) The holder of a certificate that contains authority to
27	operate a taxicab service between points in the city and county of Denver

-6- 1320

1	also holds taxicab service authority from points in the city and county of
2	Denver to all points in this state.
3	(III) The commission shall amend, by order and without notice or
4	hearing, any existing taxicab service certificate as described in
5	subparagraph (I) or (II) of this paragraph (c) to allow service from points
6	in the city and county of Denver to either all points in this state or all
7	points within the common carrier's base area to conform with the
8	directives contained in said subparagraph (I) or (II) BY REMOVING ALL
9	LANGUAGE AUTHORIZING LARGE-MARKET TAXICAB SERVICE OFFERED IN
10	ACCORDANCE WITH PART 7 OF THIS ARTICLE 10.1 .
11	(3) When an appeal A REQUEST FOR RECONSIDERATION of a
12	commission WRITTEN RECOMMENDED decision under this section has been
13	made by filing exceptions pursuant to section 40-6-109 and the
14	commission has rendered a final decision on such THE exceptions as
15	provided in article 6 of this title 40, any party thereto TO THE PROCEEDING
16	may, within thirty days after the final decision, apply directly to a district
17	court in this state for judicial review pursuant to section 40-6-115. For
18	purposes of judicial review, a decision of the commission on exceptions
19	is final on the date the decision is served on the parties to the proceeding
20	SECTION 9. In Colorado Revised Statutes, add part 7 to article
21	10.1 of title 40 as follows:
22	PART 7
23	LARGE-MARKET TAXICAB SERVICES
24	40-10.1-701. Legislative declaration. (1) THE GENERAL
25	ASSEMBLY FINDS AND DECLARES THAT:
26	(a) Nothing in this part 7 requires or prohibits a motor
27	CARRIER APPLYING FOR A PERMIT PURSUANT TO SECTION 40-10.1-702

-7- 1320

1	(1)(a) TO FORM A LABOR UNION NOR REQUIRES ANY LARGE-MARKET
2	TAXICAB SERVICE DRIVER TO JOIN A LABOR UNION; AND
3	(b) IF A MOTOR CARRIER PREVIOUSLY OBTAINED A CERTIFICATE OF
4	PUBLIC CONVENIENCE AND NECESSITY TO PROVIDE TAXICAB SERVICE
5	PURSUANT TO SECTION 40-10.1-201 AND THE CERTIFICATE REMAINS VALID
6	AT A TIME THAT THE MOTOR CARRIER SUBSEQUENTLY OBTAINS A PERMIT
7	TO OPERATE LARGE-MARKET TAXICAB SERVICE UNDER THIS PART 7, THE
8	MOTOR CARRIER'S CERTIFICATE CONSTITUTES A DEVALUED ASSET FOR THE
9	MOTOR CARRIER.
10	40-10.1-702. Large-market taxicab service - permit required
11	- rules. (1) (a) On and after January 1, 2019, a person shall not
12	OPERATE OR OFFER TO OPERATE A LARGE-MARKET TAXICAB SERVICE IN
13	INTRASTATE COMMERCE WITHOUT FIRST HAVING OBTAINED A PERMIT TO
14	OPERATE LARGE-MARKET TAXICAB SERVICE FROM THE COMMISSION IN
15	ACCORDANCE WITH THIS PART 7.
16	(b) A PERSON MAY APPLY FOR A PERMIT IN A FORM AND MANNER
17	PRESCRIBED BY THE COMMISSION.
18	(c) A PERMIT ISSUED PURSUANT TO THIS SECTION IS VALID FOR ONE
19	YEAR AFTER THE DATE OF ISSUANCE.
20	(2) EXCEPT AS PROVIDED IN SECTION 40-10.1-704, THE
21	COMMISSION SHALL ISSUE A PERMIT TO A MOTOR CARRIER OF PASSENGERS
22	UPON COMPLETION OF THE APPLICATION FILED PURSUANT TO SUBSECTION
23	(1) OF THIS SECTION, THE PAYMENT OF A FEE DETERMINED BY THE
24	COMMISSION, COMPLIANCE WITH THE FINANCIAL RESPONSIBILITY
25	REQUIREMENTS ESTABLISHED BY RULE BY THE COMMISSION PURSUANT TO
26	SECTION 40-10.1-107, AND SUBMISSION OF CURRENT RATE INFORMATION
27	PURSUANT TO SECTION 40-10.1-705.

-8- 1320

1	(3) IN ORDER TO OBTAIN A PERMIT UNDER THIS SECTION, AN
2	APPLICANT MUST DEMONSTRATE THAT EACH VEHICLE OPERATED UNDER
3	THE PERMIT HAS BEEN INSPECTED WITHIN THE IMMEDIATELY PRECEDING
4	TWELVE MONTHS BY A QUALIFIED MECHANIC IN ACCORDANCE WITH RULES
5	PROMULGATED BY THE COMMISSION.
6	(4) (a) EXCEPT AS PROVIDED IN SUBSECTION (4)(b) OF THIS
7	SECTION, A MOTOR CARRIER PROVIDING LARGE-MARKET TAXICAB SERVICE
8	MUST HAVE AT LEAST TWENTY-FIVE VEHICLES IN ITS FLEET AT ALL TIMES.
9	(b) IN EL PASO, LARIMER, AND WELD COUNTIES, A MOTOR
10	CARRIER PROVIDING LARGE-MARKET TAXICAB SERVICE MUST HAVE AT
11	LEAST TEN VEHICLES IN ITS FLEET AT ALL TIMES.
12	(5) FOR EACH COUNTY SERVED BY A MOTOR CARRIER PROVIDING
13	LARGE-MARKET TAXICAB SERVICE PURSUANT TO THIS PART 7, THE
14	COMMISSION SHALL BY RULE DETERMINE THE MAXIMUM RATE THAT A
15	MOTOR CARRIER PROVIDING LARGE-MARKET TAXICAB SERVICE MAY
16	CHARGE ITS PASSENGERS.
17	40-10.1-703. Large-market taxicab service license plates -
18	rules. (1) THE COMMISSION SHALL CREATE EITHER A DOCUMENT OR AN
19	ELECTRONIC SYSTEM THAT A PERSON AUTHORIZED TO PROVIDE
20	LARGE-MARKET TAXICAB SERVICE UNDER THIS PART 7 MAY USE TO VERIFY
21	TO THE DEPARTMENT OF REVENUE OR THE DEPARTMENT'S AUTHORIZED
22	AGENT THAT THE PERSON PROVIDES LARGE-MARKET TAXICAB SERVICE.
23	(2) UPON REQUEST, THE COMMISSION SHALL:
24	(a) IF THE COMMISSION CREATES A DOCUMENT PURSUANT TO
25	SUBSECTION (1) OF THIS SECTION, PROVIDE THE DOCUMENT TO THE PERSON
26	AUTHORIZED TO PROVIDE LARGE-MARKET TAXICAB SERVICE; OR
2.7	(b) IF THE COMMISSION CREATES AN ELECTRONIC SYSTEM

-9- 1320

1	PURSUANT TO SUBSECTION (1) OF THIS SECTION, PROVIDE THE ELECTRONIC
2	VERIFICATION TO THE DEPARTMENT OF REVENUE OR ITS AUTHORIZED
3	AGENT.
4	(3) THE COMMISSION MAY PROMULGATE RULES TO IMPLEMENT
5	THIS SECTION AND TO ENFORCE SECTION 42-3-236.
6	40-10.1-704. Permit revocation. (1) IF A MOTOR CARRIER THAT
7	HOLDS A PERMIT UNDER THIS PART $\overline{7}$ FAILS TO COMPLY WITH A FINAL
8	COMMISSION DECISION THAT ASSESSES A FINE OR CIVIL PENALTY
9	PURSUANT TO SECTION 40-7-113 FOR A VIOLATION OF THIS ARTICLE 10.1
10	OR A RULE ADOPTED PURSUANT TO THIS ARTICLE 10.1, THE MOTOR
11	CARRIER'S PERMIT IS REVOKED IMMEDIATELY. ANY OF THE FOLLOWING
12	PERSONS ARE DISQUALIFIED FROM APPLYING FOR A PERMIT FOR
13	TWENTY-FOUR MONTHS AFTER THE DATE OF THE PERMIT REVOCATION:
14	(a) THE MOTOR CARRIER;
15	(b) AN OWNER, PRINCIPAL, OFFICER, MEMBER, PARTNER, OR
16	DIRECTOR OF THE MOTOR CARRIER; AND
17	(c) ANY OTHER ENTITY OWNED OR OPERATED BY AN OWNER,
18	PRINCIPAL, OFFICER, MEMBER, PARTNER, OR DIRECTOR OF THE MOTOR
19	CARRIER.
20	(2) THE DISQUALIFICATION SET FORTH IN SUBSECTION (1) OF THIS
21	SECTION DOES NOT APPLY TO REVOCATION BASED ON A FAILURE TO CARRY
22	INSURANCE UNLESS THE PERSON KNOWINGLY OPERATED THE MOTOR
23	CARRIER WITHOUT INSURANCE.
24	(3) THE DISQUALIFICATION SET FORTH IN SUBSECTION (1) OF THIS
25	SECTION IS IN ADDITION TO AND NOT IN LIEU OF ANY OTHER PENALTY OR
26	DISQUALIFICATION, INCLUDING THE PERIOD OF DISQUALIFICATION
27	SPECIFIED IN SECTION 40-10.1-112 (4).

-10-

1	40-10.1-705. Rates - limitations - rules. (1) EXCEPT AS
2	PROVIDED IN SUBSECTIONS (2) AND (3) OF THIS SECTION, LARGE-MARKET
3	TAXICAB SERVICES ARE NOT SUBJECT TO RATE LIMITATIONS IMPOSED
4	UNDER PART 2 OF THIS ARTICLE 10.1.
5	(2) (a) A MOTOR CARRIER OPERATING A LARGE-MARKET TAXICAB
6	SERVICE SHALL FILE WITH THE COMMISSION, IN THE FORM AND MANNER
7	THAT THE COMMISSION MAY DESIGNATE, A SCHEDULE SHOWING THE
8	RATES, CHARGES, AND COLLECTIONS THAT THE MOTOR CARRIER
9	COLLECTS, ENFORCES, OR INTENDS TO COLLECT OR ENFORCE THAT AFFECT
10	OR RELATE TO THE MOTOR CARRIER'S LARGE-MARKET TAXICAB SERVICE
11	OPERATIONS.
12	(b) THE COMMISSION SHALL NOT LIMIT THE NUMBER OR
13	FREQUENCY OF RATE SCHEDULES THAT A MOTOR CARRIER MAY FILE WITH
14	THE COMMISSION PURSUANT TO SUBSECTION (2)(a) OF THIS SECTION.
15	(c) UNLESS A FILED RATE SCHEDULE EXCEEDS THE MAXIMUM RATE
16	SET BY THE COMMISSION BY RULE PURSUANT TO SECTION 40-10.1-702 (5),
17	THE COMMISSION SHALL NOT REJECT A RATE SCHEDULE FILED with the
18	commission unless the schedule was not filed in the form and manner
19	designated by the commission pursuant to subsection (2)(a) OF THIS
20	SECTION. THE COMMISSION SHALL NOT AMEND ANY RATE SCHEDULE FILED
21	WITH THE COMMISSION PURSUANT TO THIS SECTION.
22	(3) It is unlawful for a motor carrier operating a
23	LARGE-MARKET TAXICAB SERVICE TO CARRY OR ADVERTISE THAT IT WILL
24	CARRY INDIVIDUALS IN A MANNER CONTRARY TO THE FILING REQUIRED
25	UNDER SUBSECTION (2)(a) OF THIS SECTION.
26	(4) THE COMMISSION MAY PROMULGATE RULES CONSISTENT WITH
27	THIS SECTION TO IMPLEMENT THE SYSTEM OF SCHEDULE FILINGS REQUIRED

-11- 1320

1	BY THIS SECTION.
2	SECTION 10. In Colorado Revised Statutes, 42-3-236, amend
3	(2) and (5) as follows:
4	42-3-236. Taxicab license plates - taxicabs. (2) A person who
5	THAT is authorized to provide taxicab service OR LARGE-MARKET TAXICAE
6	SERVICE under article 10.1 of title 40 C.R.S., shall register a motor
7	vehicle used for taxicab purposes under this article 3 and display taxicab
8	license plates on the vehicle. Upon registration, the department shall issue
9	taxicab license plates for the vehicle in accordance with this section. The
10	department shall not issue a taxicab license plate unless the person either
11	submits a verification document or the public utilities commission
12	electronically verifies the authorization as provided in section
13	40-10.1-207. C.R.S.
14	(5) If the person who owns the motor vehicle with taxicab license
15	plates is not the person under whose authority the motor vehicle operates
16	under article 10.1 of title 40, C.R.S., the person with the authority may
17	request that the department of revenue require the plate to be replaced
18	Within thirty days after receiving the request, the department shall require
19	the owner of the motor vehicle to return the taxicab license plate and be
20	issued a new license plate. The owner of the motor vehicle shall surrender
21	the taxicab license plate to the department within ten days after receiving
22	notice from the department unless the owner of the motor vehicle obtains
23	authority to operate a taxicab under part 2 OR 7 of article 10.1 of title 40,
24	C.R.S., either directly or as an agent, and either the person submits a
25	verification document or the public utilities commission electronically
26	verifies the authorization as provided in section 40-10.1-207. C.R.S.
27	SECTION 11. Act subject to petition - effective date. This act

-12- 1320

1 takes effect at 12:01 a.m. on the day following the expiration of the 2 ninety-day period after final adjournment of the general assembly (August 3 8, 2018, if adjournment sine die is on May 9, 2018); except that, if a 4 referendum petition is filed pursuant to section 1 (3) of article V of the 5 state constitution against this act or an item, section, or part of this act 6 within such period, then the act, item, section, or part will not take effect 7 unless approved by the people at the general election to be held in 8 November 2018 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor. 9

-13-