



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 26-1273: TRANSP NETWORK CO MAX PERCENT FARE RETENTION

Prime Sponsors:

Rep. Willford; Froelich
Sen. Cutter; Wallace

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Published for: House Business Affairs & Labor**Drafting number:** LLS 26-0624**Version:** Initial Fiscal Note**Date:** March 9, 2026**Fiscal note status:** The fiscal note reflects the introduced bill.

Summary Information

Overview. The bill prohibits a transportation network company from retaining more than 20 percent of a consumer fare for any transportation task.

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

- Minimal State Revenue
- State Expenditures

Appropriations. For FY 2026-27, the bill requires an appropriation of \$64,579 to the Department of Labor and Employment.

Table 1
State Fiscal Impacts

Type of Impact	Budget Year FY 2026-27	Out Year FY 2027-28
State Revenue	\$0	\$0
State Expenditures	\$78,563	\$58,131
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.6 FTE	0.5 FTE

Fund sources for these impacts are shown in the table below.

Table 1A
State Expenditures

Fund Source	Budget Year FY 2026-27	Out Year FY 2027-28
General Fund	\$64,579	\$46,606
Cash Funds	\$0	\$0
Federal Funds	\$0	\$0
Centrally Appropriated	\$13,984	\$11,525
Total Expenditures	\$78,563	\$58,131
Total FTE	0.6 FTE	0.5 FTE

Summary of Legislation

The bill prohibits a transportation network company (TNC) from retaining more than 20 percent of a consumer fare—excluding tips and pass-throughs such as toll payments—for any transportation task. In addition, a TNC cannot impose a fee on a driver unless the take amount plus the percentage amount of the fee does not exceed 20 percent of the consumer fare paid for the transportation task.

Background

The Public Utilities Commission is the primary regulator of TNCs; however, the Department of Labor Standards and Statistics (DLSS) in the Department of Labor and Employment (CDLE) enforces TNC transparency provisions affected by this bill, which were initially established in [Senate Bill 24-075](#).

State Revenue

The bill may increase state revenue to the General Fund from fines collected from TNCs. Overall, any revenue is expected to be minimal, as the Colorado Wage Act encourages the DLSS to waive most fines assessed against employers if the employer becomes compliant with the law. Any revenue from court filing fees is also expected to be minimal, and any new revenue is subject to TABOR.

State Expenditures

The bill increases state expenditures in the CDLE by about \$79,000 in FY 2026-27 and \$58,000 in FY 2027-28 and future years. These costs, paid from the General Fund, are summarized in Table 2 and discussed below.

Table 2
State Expenditures
Department of Labor and Employment

Cost Component	Budget Year FY 2026-27	Out Year FY 2027-28
Personal Services	\$56,811	\$45,966
Operating Expenses	\$768	\$640
Capital Outlay Costs	\$7,000	\$0
Centrally Appropriated Costs	\$13,984	\$11,525
Total Costs	\$78,563	\$58,131
Total FTE	0.6 FTE	0.5 FTE

Department of Labor and Employment

The DLSS in the CDLE requires 0.6 FTE in FY 2026-27 and 0.5 FTE in FY 2027-28 and future years for staff to implement and enforce the bill. This includes 0.4 FTE in FY 2026-27 and 0.2 FTE in subsequent years for a policy advisor to oversee rulemaking; make updates to public guidance; and develop and manage the process to receive, review, and investigate take rate complaints. The DLSS also requires 0.3 FTE annually for a compliance investigator to investigate take rate complaints and collaborate with the policy advisor on rulemaking. First-year costs are prorated to reflect a September 2026 start date, and include standard operating and capital outlay costs.

Centrally Appropriated Costs

Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which may include employee insurance, supplemental employee retirement payments, indirect cost assessments, and other costs, are shown in Table 2 above.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed. It applies to conduct occurring on or after this date.

State Appropriations

For FY 2026-27, the bill requires a General Fund appropriation of \$64,579 to the Department of Labor and Employment, and 0.6 FTE.

State and Local Government Contacts

Labor

Regulatory Agencies

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).