



## Interpretive Notice & Formal Opinion (“INFO”) #23B:

### Transportation Network Companies (TNCs): Driver Rights and Labor Transparency

#### Overview

- Two statutes establish transparency and related responsibilities for app-based Delivery Network Companies<sup>1</sup> (“DNCs,” for delivery of food or other purchases) and Transportation Network Companies<sup>2</sup> (“TNCs,” for ride services, often called “rideshares”), as well as related rights of drivers and consumers.
- This INFO covers the Transportation Network Company Transparency Act (the “TNC Act”) and the rules implementing the Act — the Delivery Network Company (DNC) And Transportation Network Company (TNC) Acts Labor Rules (“DATA Labor Rules”).<sup>3</sup>
- For the Protections for Delivery Network Company Drivers Act (the “DNC Act”), see INFO #23A.

#### Coverage

- **TNCs** are companies with digital platforms connecting drivers with consumers seeking rides.<sup>4</sup>
- TNCs used primarily to give rides to **minors** and/or under contracts with **schools or other governmental entities** who meet requirements listed in the TNC Act, and submit an attestation to the Public Utilities Commission by January 1, 2025, are not covered by the TNC Act.<sup>5</sup>

**Requirements.** The TNC Act has five categories of requirements, each detailed below:

- 1) **Disclosures to Drivers**
- 2) **Disclosures to Consumers**
- 3) **Deactivation/Suspension Policies and Challenges**
- 4) **Non-Retaliation**
- 5) **Disclosures to the Division**

**1) Disclosures to Drivers.** TNCs must make three types of disclosures to drivers about payments and tasks.

- **Task Offer Disclosures.** When TNCs offer a driver a task, they must disclose:
  - The **direction** and **distance** from the driver to the rider, which can be shown using a map;<sup>6</sup>
  - The **amount of money** the TNC will pay the driver, excluding any **reimbursements or tips**;<sup>7</sup>
  - The aggregate estimated **mileage** and **time** that the driver will spend on the task;<sup>8</sup> and

<sup>1</sup> C.R.S. 8-4-126 ([HB 24-1129](#), Protections for Delivery Network Company Drivers Act, “DNC Act”).

<sup>2</sup> C.R.S. 8-4-127 ([SB 24-075](#), Transportation Network Company Transparency Act, “TNC Act”).

<sup>3</sup> Delivery Network Company (DNC) And Transportation Network Company (TNC) Acts Labor Rules (“DATA Labor Rules”), [7 C.C.R. 1103-19](#).

<sup>4</sup> “Digital platform” means an online application, internet site, or system a TNC uses to facilitate and/or manage delivery services. One common type is an application that drivers and consumers install and access on smartphones.

<sup>5</sup> For other TNC regulations in Colorado, see the Public Utility Commission’s website: <https://puc.colorado.gov/tnc>.

<sup>6</sup> For shared rides, the relevant destination is for the last rider to be dropped off, when that information is available.

<sup>7</sup> The statute requires calculating the amount the driver will be paid “before any tip is added.” This means excluding any tip, not that the amount must be calculated at a time before a consumer is allowed to tip. Also, “pass-throughs” are amounts TNCs pay drivers to reimburse costs (like tolls) incurred while working. See C.R.S. 8-4-127(11)(a)(II).

<sup>8</sup> The TNC Act requires estimated time and mileage for “dispatch platform time” and “consumer platform time.” “Dispatch

- The amount of **any tip** already indicated by a consumer for the task.

- **Post-Task Disclosures**

- **Contents**

- The total paid by the **consumer** for the task, excluding any tip;
- The total paid to the **driver** for the task, excluding tips and reimbursements; and
- The amount of the **tip**, if any.

- **Timing**

- Post-task disclosures must be made when drivers **resume** “available platform time” after completing a task.<sup>9</sup>
- Within **24 hours** of making a post-task disclosure, TNCs must give the driver a more permanent version of the same disclosure.

**Example 1:** SuperRyde4U, a TNC, lets drivers accept tasks while in dispatch platform time or consumer platform time (*i.e.*, while driving to pick up, or transporting, riders). That means drivers may not resume available platform time immediately when finishing tasks. SuperRyde4U can make the post-task disclosure as soon as a driver drops off a rider, or wait until the driver eventually resumes available platform time, and make the post-task disclosure separately for each task completed before resuming available platform time. SuperRyde4U must give the follow-up post-task disclosure for each task within 24 hours.

- **Format**

- Post-task disclosures (and consumer disclosures, see section 2 below) must be:
  - prominently displayed on the **single screen** on the TNC’s digital platform or in the email;<sup>10</sup>
  - in a **larger font** than is used for other information on the screen or in the email; and
  - presented using **design** techniques intended to draw the eye to the required information.<sup>11</sup>
- Post-task disclosures must be by **email** or another mechanism — such as a TNC’s digital platform — that remains accessible to the driver for **at least one year**.<sup>12</sup>

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platform time” is the time between when a driver accepts a ride and when they either pick up the rider or the ride is canceled. “Consumer platform time” is the time when a driver is transporting one or more riders. For shared rides, “dispatch platform time” begins when a driver accepts the first request and ends when they pick up the first rider, and “consumer platform time” begins with the first pick-up and ends when the last rider is dropped off.

<sup>9</sup> “Available platform time” is the time a driver is waiting for ride requests while active on a TNC’s digital platform. A driver is in “available platform time” regardless of whether they can also receive other types of requests (such as from another company) during that time. “Available platform time,” together with “consumer platform time” and “dispatch platform time,” includes all the time a driver spends performing work using a TNC’s digital platform. However, it may be possible for a driver to use a digital platform without being in one of these three kinds of time — for example, logging in just to change their account settings or review disclosures.

<sup>10</sup> For information to be on a “single screen,” it must be accessible without clicking links, navigating to other pages or screens, or scrolling at length (*e.g.*, if the required material follows a significant amount of other, non-required information). The information need not always be entirely visible within the four corners of a device’s screen without scrolling.

<sup>11</sup> C.R.S. 8-4-127(11)(e).

<sup>12</sup> C.R.S. 8-4-127(11)(c).

- **Summary Disclosures**

- **Contents.** TNCs must make a summary disclosure to drivers that summarizes the work that a driver did during the summary period, and must include:
  - Driver **pay**, including (listed separately) **tips**, **reimbursements**, and **bonus** or incentive pay;<sup>13</sup>
  - The total **time spent**, and total **miles driven**, while the driver was on —
    - available platform time,
    - dispatch platform time,
    - consumer platform time; and
  - The total amount **deductible** from income based on IRS business mileage deduction rates.<sup>14</sup>
- **Timing**
  - Summary disclosures must be at least **monthly**, by the last day of the month **following** the month the disclosure covers; or
  - If a TNC makes this disclosure **more frequently** than monthly, then it is due by the last day of the period following the period that the disclosure covers.
- **Format**
  - The summary disclosure must be by **email** or another mechanism — such as a TNC’s digital platform — that remains accessible to the driver for **at least one year**.
  - Disclosure may be as a **data file** (.csv, spreadsheet, etc.) that:
    - a driver can **access** from an email or a digital platform;
    - is **readable** by drivers (sometimes called “human-readable”), and
    - also includes **prior** data (e.g., with data from prior periods also included in the file).

**Example 2:** SuperRyde4U provides monthly disclosures to comply with this requirement. The disclosure summarizing March is due by April 30, the last day of the month after March.

**Example 3:** SuperRyde4U makes this disclosure every two weeks. The disclosure covering March 1-14 is due by March 28, the last day of the 14-day period after the summary period.

## 2) Disclosures to Consumers

- **As soon as the information is available to a TNC**, but before it presents a consumer the option to tip a driver, a TNC must tell the consumer:
  - The total amount they did or will **pay** for the task, excluding any tip; and
  - The total amount the driver did or will **receive** for the task, excluding reimbursements or tips.

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<sup>13</sup> “Driver pay before expenses” means total monthly (or more frequent) amount a TNC pays a driver, separately showing: pay for transportation tasks, pass-throughs (reimbursements), bonus or incentive pay, and tips. C.R.S. 8-4-127(1)(i).

<sup>14</sup> The effective mileage rate is the mileage rate in effect during the reporting period, not the rate at the time the disclosure is made. Additionally, the total the driver may be able to deduct can be disclosed as a single amount based on aggregated miles driven during available platform time, dispatch platform time, and consumer platform time. Rule 6.1.3(E).

**Example 4:** A SuperRyde4U driver accepts a task offer and picks up the rider. The rider requests to change their destination, increasing the amount they will pay for the ride and the amount the driver will receive. SuperRyde4U can wait until the end of the ride to provide the consumer disclosure and an opportunity to tip, or, if the disclosure was already provided, SuperRyde4U can correct it with the updated amounts.

- **Format** for consumer disclosures is the same as for post-task disclosures; see section 1.

### 3) Deactivation/Suspension Policies and Challenges

- **The Policy**

- By May 1, 2025, TNCs must have a written policy defining “violations” that may result in driver **deactivation** (including suspensions of at least 72 hours) or **suspension** (of under 72 hours).<sup>15</sup>
- The policy must be **specific** enough to let drivers reasonably understand what would be a **violation**, and the **consequences** for each violation.
- The policy must include fair, objective, and reasonable **procedures for notifying** deactivated drivers of their deactivation or suspension, and allowing them to **challenge** their deactivation.
- TNCs are not required to allow challenges for **suspensions** of under 72 hours.

**Example 5:** SuperRyde4U includes in its deactivation policy a statement that it can deactivate a driver at any time, for any reason. This is not permissible because it does not describe a “violation” that a driver might reasonably be able to understand or avoid.

- **Disclosures**

- **Drivers.** TNCs must provide the policy to new drivers before they drive for the TNC, and make the policy available to the public for at least 14 days before it can be enforced.
- **The Division.** TNCs must provide the Division their policy, to post it on the Division website.
  - The policy must be posted by the Division for at least **14 days before** it can be enforced.
  - Any **new** policy, or **revisions** to the enforceable policy, must go through the same procedure and be posted for 14 days before becoming enforceable.
  - Division posting of a TNC policy does not mean the Division determined the policy to be compliant, though the Division may inform a TNC if its policy appears non-compliant in any way.

**Example 6:** SuperRyde4U wants to enforce revisions to its deactivation policy beginning August 1, 2025. SuperRyde4U must provide the revised policy to the Division in time for it to be posted by July 18, 2025 (providing it to the Division a day in advance of the posting day is advisable) because the policy revisions must be posted on the Division's website for at least 14 days before SuperRyde4U can begin enforcing the revisions.

**Languages.** TNCs must make the policy available to drivers and Division in six languages:

- |           |           |                                     |
|-----------|-----------|-------------------------------------|
| - English | - Arabic  | - Swahili (also known as Kiswahili) |
| - Spanish | - Amharic | - Nepali (also known as Nepalese)   |

- **Compliance**

- As of June 1, 2025, a TNC driver can be **deactivated or suspended only consistent with the policy**,<sup>16</sup> including for only violations listed in the policy.

<sup>15</sup> C.R.S. 8-4-127(2)(a).

<sup>16</sup> C.R.S. 8-4-127(2)(b).

- A TNC suspending or deactivating a driver must **disclose** to them:<sup>17</sup>
  - enough information for the driver to understand **why** they were deactivated or suspended, with reference to the provision of the deactivation policy allegedly violated;<sup>18</sup>
  - the **steps**, if any, the driver can take to attempt to remedy the violation and be reactivated;
  - notice of the right to **challenge** the deactivation (described in the next section below) with a description of the deactivation challenge process or a link to that description; and
  - the availability of **support services** from, and contact information of, the certified DSO.

## ● Challenges

- TNCs must have account deactivation **challenge** procedures for drivers to challenge deactivations.<sup>19</sup>
- The procedure must be **available** to drivers immediately when, and for 30 days after, they are notified of their deactivation.
- Drivers can be represented or supported by the certified DSO when challenging their deactivation.<sup>20</sup>
- TNCs must **respond** to a driver challenge within 14 days of receipt (or, if it needs more time to respond, must explain why and give a reasonable date to respond), and issue a decision as follows.

If the TNC finds the driver:	Then its decision must:
1) <b>is in violation</b> of its deactivation policy	<b>reaffirm</b> the deactivation, with an explanation of (a) why, (b) any steps the driver can take to attempt to remedy the violation and be reactivated, and (c) the driver's right to support services from the certified DSO and its contact information
2) <b>did not violate</b> its deactivation policy	<b>reactivate</b> the driver as soon as possible, no later than 24 hours after the determination
3) <b>corrected</b> a violation they committed	<b>reactivate</b> the driver as soon as possible, no later than 24 hours after the determination

- A driver who disagrees with the outcome of their challenge may file a Division or court **complaint**.

**Example 7:** SuperRyde4U's deactivation policy says drivers can be deactivated for lacking current vehicle registration. A driver deactivated for this reason then gets their vehicle re-registered, and challenges their deactivation. SuperRyde4U refuses to consider the challenge, accept proof of re-registration, or consider reactivation. This is inconsistent with SuperRyde4U's deactivation policy, which requires it to provide an opportunity to challenge any deactivation and consider all relevant, available information.

<sup>17</sup> TNCs are required to provide this notice within 24 hours of suspending or deactivating a driver. A driver is suspended when a TNC blocks or restricts their access to its digital platform. A driver is deactivated when a TNC blocks or restricts their access to its digital platform if the restriction is intended to be permanent, or the TNC knows or reasonably believes the restriction could last 72 hours or more. Otherwise, the restriction is a suspension, and becomes a deactivation once it has lasted more than 72 hours. Rule 2.3(A): "If, at the time that it restricts a driver's access to its digital platform, a DNC or TNC knows or reasonably expects that the restriction could last 72 hours or more under the TNC Act or more than 72 hours under the DNC Act, the DNC or TNC is considered to have "deactivated" the driver and shall comply with the deactivation requirements of the DNC Act or TNC Act, respectively."

<sup>18</sup> TNCs need not provide drivers a reason for the suspension or deactivation if it is the result of an allegation of assault or other egregious misconduct, including an allegation of sexual misconduct. C.R.S. 8-4-127(3)(a)(III).

<sup>19</sup> TNCs need not allow drivers to challenge suspensions, only deactivations.

<sup>20</sup> C.R.S. 8-4-127(6)(b)(III).

**Example 8:** SuperRyde4U's deactivation policy says drivers can be deactivated if their customer approval rating is below 50%. A driver is deactivated after negative reviews drop their rating to 48%; they file a challenge claiming the reviews were unfair. SuperRyde4U reconsiders and reaffirms the deactivation, because it was based on the driver's rating, not the fairness of the customer reviews. This deactivation and reaffirmation are consistent with the SuperRyde4U deactivation policy.

#### 4) Non-Retaliation

- TNCs may not **retaliate** against drivers for legally rejecting or accepting offers (as of February 1, 2025).
- Unlawful retaliation includes **suspending** or **deactivating** a driver, or in any way **limiting driver access** to driver support, offers, or area preferences.

#### 5) Disclosures to the Division

- **Annual task numbers.** Every year, by January 15, all covered TNCs must report to the Division how many tasks (rides) their drivers performed in the prior calendar year.
- **Semiannual Data Disclosures to the Division**
  - **Timing.** Starting August 1 2026, disclosures are due:
    - each August 1, with data from January through June; and
    - each February 1, with data from July through December.<sup>21</sup>
  - **Contents**
    - The number of driver **deactivations**;<sup>22</sup>
    - The number of deactivation **challenges** that —
      - were **requested**,
      - **occurred**,
      - resulted in driver **reactivation**, and
      - resulted in **confirmation** of the deactivation;
    - **Demographic** information of drivers affected by deactivations;<sup>23</sup>
    - Detailed information regarding a **sample** of transportation tasks;<sup>24</sup>
    - Information about each **driver**, including how much **time** they spent driving for the TNC, how many **miles** they drove, and how much they were **paid**.<sup>25</sup>
  - **Public Disclosure:** These disclosures are public records subject to requests under the Colorado Open Records Act. If the Division receives a CORA request, it will redact the disclosure to protect driver identities and privacy, and notify the TNC to allow any objections available under the law.<sup>26</sup>

<sup>21</sup> The Division will provide more guidance on these disclosures before the first due date. C.R.S. 8-4-127(9)(d).

<sup>22</sup> C.R.S. 8-4-127(9)(a)-(b). If a driver had multiple deactivations during the period, each must be reported individually.

<sup>23</sup> C.R.S. 8-4-127(9)(c). Aside from gender, gender identity, and the default language selected by the driver, TNCs must report only demographic information that they collect or possess; they need not collect other demographic information.

<sup>24</sup> C.R.S. 8-4-127(9)(d).

<sup>25</sup> C.R.S. 8-4-127(9)(e).

<sup>26</sup> C.R.S. 8-4-127(10).

## Driver Support Organization (DSO)

- A DSO is a membership-based, member-led labor organization that **educates and supports** drivers; the Division will **certify one** DSO to represent and support drivers who challenge their deactivation.
- **Applications to Be the Certified DSO**
  - **From January 1 to March 31, 2025**, the Division will accept applications to be the certified DSO. The application period will open every January of the third year of the DSO certification period.
  - An **application** to become the certified DSO will be posted on the Division's TNC webpage ([cdle.colorado.gov/TNC](https://cdle.colorado.gov/TNC)). The page and application will detail what information is required, including:
    - Basic information on the DSO's (name, contact information, years of operation, etc.);
    - Whether the DSO receives direct or indirect **TNC support** (aside from TNCs' quarterly payments);
    - The total number of **drivers** the DSO has served; and
    - A proposed **annual budget**, not to exceed **\$0.07** multiplied by the total number of transportation **tasks** started in Colorado the prior year.<sup>27</sup>
  - After the application period, applications will be **posted** for 30 days before a certified DSO is selected.
  - Each DSO **certification period** is three years; the first is October 1, 2025, to September 30, 2028.
- **DSO Requirements**
  - **Annually**, the certified DSO must submit a **budget** for each year of the certification period, covering October 1 to September 30 of the following year.

**Example 9:** The annual budget submitted to the Division for the first DSO certification period should cover October 1, 2025, to September 30, 2026. For the second year of certification, the DSO will submit another annual budget for October 1, 2026, to September 30, 2027.
  - **Semiannually**, a certified DSO must certify to the Division that it still meets all applicable requirements.
- **DSO Funding**
  - **TNC Contributions**
    - DSOs applying for certification, and the certified DSO, use reported total task numbers (see section 4) for their annual budget proposals, up to the maximum of seven cents per task in the prior year.
    - The Division will use the total task number, and each TNC's share of that total, to calculate the quarterly payment from each TNC to the certified DSO.<sup>28</sup>
    - TNC quarterly payments are due 15 days after each calendar quarter, starting **July 15, 2025**.<sup>29</sup>
  - **Driver Contributions to the DSO**
    - TNCs must allow **voluntary driver contributions**, as per-trip deductions from driver earnings, if:
      - the DSO is in **good standing** (meeting certification requirements);
      - at least **100** drivers on the TNC's digital platform authorize; and
      - the driver has clearly **authorized** the deduction in writing.

<sup>27</sup> C.R.S. 8-4-127(6)(a)(II)(C) (Division inflation-adjusts this cap of \$0.07 per task).

<sup>28</sup> See DATA Labor Rules, 7 C.C.R. 1103-19, Rule 6.3.5.

<sup>29</sup> This deadline assumes a DSO is certified on the anticipated schedule.

### ■ Timing

- By September 1, 2025, TNCs must begin **allowing** deductions for DSO contributions.
- TNCs must begin making **deductions** within 30 days of driver authorization.
- TNCs must **remit** driver contributions to the DSO monthly, by 28 days after the month ends.

## Complaints, Investigations, and Enforcement

- **Who Can File Complaints?** Any **driver or consumer** claiming a violation of the Act may file with the Division. Those needing **assistance** can contact the Division or have an authorized representative file.
- **How Can a Complaint Be Filed?** Complaints must be filed using the Division's complaint form available on the Division's [TNC website](https://cdle.colorado.gov/tnc) (<https://cdle.colorado.gov/tnc>).
- **What to Include in Complaints.** Complaints should include as much of the following information as possible. If not all information is available, complaints should include whatever information is available.
  - **Explanation** of any alleged violations, with as much information as possible, such as dates of key events (actual, estimated, or time range), names of decision-makers or others affected, etc.
  - **Documents if relevant to the claim** — emails, text messages, letters, deactivation notices, witness statements, screenshots, etc.
  - **Timing details if relevant** to the claim — start date, deactivation date, task date and time, etc.
- **Initial Review by the Division**
  - The Division first reviews whether a complaint is a type it has **authority to investigate** and, if so, whether to exercise its **discretion to investigate** based on information the complainant provided.
  - If the Division determines that it will not investigate, it sends the complainant a **dismissal notice**, which will let the complainant know of any option to pursue the claim in court.
- **Response.** If the Division investigates, it will **notify** the TNC of the complaint and give a deadline for:
  - an explanation of **which allegations** the TNC does and does not dispute;
  - all **information requested** by the Division; and
  - any documentation or other **evidence** the TNC wishes the Division to consider.
- **Decisions and Orders.** After reviewing all available information, the Division may:
  - **terminate or dismiss** the investigation;
  - issue a **notice of compliance** finding that the alleged violation did not occur; or
  - issue a **written determination** that a violation occurred, which may —
    - order **penalties** of **\$1,000** per, and payable to, the **consumer or driver affected**;
    - order **fines** payable to the State of **\$100 per violation, per consumer or driver** affected, as well as any fines under other laws, e.g., for not complying with Division requests or orders; and
    - notify the complainant of the right to pursue **further remedies in court** (orders, damages, etc.).

### For More Information:

Visit the Division [website](https://cdle.colorado.gov) or the Division's DNC and TNC webpages ([cdle.colorado.gov/DNC](https://cdle.colorado.gov/DNC) and [cdle.colorado.gov/TNC](https://cdle.colorado.gov/TNC)), call 303-318-8441, or email [cdle\\_accountability\\_programs@state.co.us](mailto:cdle_accountability_programs@state.co.us).