



**COLORADO**

**Department of Transportation**

Office of Innovative Mobility

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**July 21, 2021**

**Question and Answers for [Colorado House Bill 21-1076](#)**

*“Concerning Carpooling Service Internet Applications, and, in connection therewith, requiring that applications owners or operators register with the Department of Transportation”*

Under Colorado House Bill 21-1076, companies are required to register with the Colorado Department of Transportation (CDOT) beginning on Oct.1, 2021.

**When did this legislation of Colorado HB 21-1076 get approved and become law?**

- April 19, 2021

**Who is impacted by this legislation, HB 21-1076?**

- Companies who own carpool service internet applications
- Companies who operate a carpool service internet application
- Users of the carpool internet application
- Colorado Department of Transportation

**How does this legislation, HB 21-1076 define carpool service internet applications?**

- Carpool service internet applications (apps) are defined as: A not-for-profit arrangement in which two or more individuals use a motor vehicle for transportation to, and possibly from, the same destination or nearby destinations.
- Carpooling trips may contain multiple stops for pick-up and for drop-off passengers.
- The legislation does not cover trips in taxis, large market taxicab services, towing carriers, charter buses, children’s activities buses, luxury limousine services, Medicaid client transportation, off-road scenic carters or Transportation Network Companies (e.g., ride-hailing companies such as Uber or Lyft)

**What are the requirements of this legislation, HB 21-1076?**

- Carpool service internet applications must annually register with the Colorado Department of Transportation on a public website.
- These carpool internet applications must limit each driver to one round trip each day.

- Drivers who are users of the internet application are not permitted to transport more than six passengers (not including the driver) at one time in the driver’s personal vehicle.
- Passengers who are users of the internet application shall compensate the driver with a fee which covers the direct and indirect costs of the driver providing the carpooling service. The fee shall be based on the number of miles driven multiplied by the [Internal Revenue Service’s mileage reimbursement rate for business use](#). In [2021, the standard mileage rate](#) for use of a car (also vans, pickups or panel trucks) will be 56 cents per mile driven for business use.
- Note: reimbursed costs collected in accordance with Section (3) of the legislation shall not be deemed compensation for any purpose.
- These carpool internet applications (apps) must limit the distance of shared carpooling trips to be 23 miles or greater one way between pick-up and drop-off points, unless the trip origin or destination is from a ski area. There is no minimum distance for trips between the ski area and another location.
- The Colorado Department of Transportation is not liable for any act or omission of an owner or operator of a carpool service internet application, an agency of an owner or operator, a driver or a user.
- These apps must post the following for users of the app:
 

“Be advised that carpooling service companies are not regulated by the state of Colorado. Background checks might not be performed on drivers, drivers are not subject to medical examination and certification, vehicles are not subject to inspection by the state, and state insurance verification is not performed.”

### **How will the law be administered by CDOT?**

- CDOT will publish a form on its public website for owners or operators of a carpooling service internet company to register on or before Oct. 1, 2021.
- Companies will be asked their preference to have their names displayed on [codot.gov](#) as an available carpool app.
- On the registration form, carpool internet application companies will be asked for general information about points of contact, targeted markets and estimated number of annual carpool trips.
- CDOT will request voluntary participation by carpool internet application companies to consider sharing data with the department. And CDOT will request voluntary participation in a periodic roundtable with the department to discuss carpooling services. The state of Colorado is interested in understanding how carpooling services are assisting Coloradans in meeting statewide goals for both vehicle miles traveled on the transportation network and greenhouse gas emissions. Additionally, the state is interested in learning about best practices from the deployment of the carpooling internet applications.
- CDOT will maintain a list of registered carpool internet application companies.

### **When is registration required?**

- Annual registration with the Colorado Department of Transportation (CDOT) is required for each year of operation on or before Oct. 1, 2021.
- This registration shall be valid from Oct. 1, 2021 through Sept. 30, 2022.

## Where is the registration located on CDOT's website?

- Carpool Application (App) companies or operators of the software Apps are required to register on CDOT's website. We will have a link on the Office of Innovative Mobility and Mobility Services webpage: <https://www.codot.gov/programs/innovativemobility/mobility-services>

## Why is this legislation important?

- Carpooling internet applications encourage passengers and drivers to share rides to known destinations.
- Carpooling is an important and effective strategy to reduce vehicle miles traveled on Colorado's transportation network, which is often called Transportation Demand Management (TDM).
- By passengers and drivers sharing rides, fewer vehicles will operate on the roadways. This strategy reduces congestion, reduces vehicle greenhouse gas emissions and reduces wear and tear on Colorado highways.
- This carpooling strategy also reduces vehicles operating in inclement weather conditions and reduces vehicles operating through highway construction zones. Reduced traffic means that CDOT Maintenance staff and CDOT construction projects will have less impact from the traveling public while doing their jobs to provide safety and mobility.
- The transportation sector is one of the largest contributors to greenhouse gas emissions, which are linked to climate change. Encouraging carpooling is one of the many methods to decrease emissions caused by vehicles operating on Colorado's transportation network.
- Carpooling means that more people ride in vehicles and share a ride. This reduces the amount of fuel burned per passenger vehicle mile traveled. A car with a driver and several occupants is a very efficient way to travel. This also means that sharing rides can save on the cost of a trip because the driver can share the cost of the trip with the passengers. The carpool applications will allow an easy way for passengers to digitally pay for their share of a ride with a driver.
- Carpooling internet applications can target trips on certain congested corridors including the I-70 Mountain Corridor from Jefferson County, Clear Creek County, Eagle County and Garfield County and the I-25 Corridor between Fort Collins and Trinidad.
- Prior to the passage of this legislation, carpooling internet applications fell under the definition of Transportation Network Companies (ride-hailing companies, such as Uber and Lyft). [TNC providers were required to register with the Colorado Department of Revenue and Public Utilities Commission](#) and pay an annual fee of \$111,250. This annual registration fee was cost prohibitive for new carpooling internet applications to enter the business market within the state of Colorado. HB 21-1076 exempts carpool internet applications from the definition of a Transportation Network Company, and no registration fee is required.

## What are the benefits of this legislation to the traveling public?

- Increased carpool application developments by private industry.
- Improved competition between carpool internet applications.
- Increased choice and opportunity to find a ride for passengers.

- Increased choice and opportunity to share a ride for drivers.
- Reduced fuel cost for trips by sharing a ride.
- Reduced greenhouse gas emissions and improved air quality in Colorado.
- Reduced vehicle miles traveled on the road, corresponding to less highway congestion and less delay for trips.
- Benefits to individual travelers, such as:
  - Drivers and passengers save money on fuel.
  - Drivers and passengers will reduce wear and tear on a personal vehicle.
  - Drivers and passengers maintain the flexibility to select the time of arrival to and departure from a place of work, an educational institution, a commercial shopping area or recreational destination, such as a ski area.
  - Some destinations may have preferred parking for carpools.

**For more information:**

- For questions regarding the form, please contact CDOT by email at: [CDOTCarpoolRegistration@state.co.us](mailto:CDOTCarpoolRegistration@state.co.us).