OFFICE OF FISCAL ANALYSIS

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sSB-1487 AN ACT CONCERNING TRANSPORTATION NETWORK COMPANIES AND THIRD-PARTY DELIVERY COMPANIES.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 26 \$	FY 27 \$
Department of Transportation	TF - Revenue	At least	At least
	Gain	50,000	50,000
Labor Dept.	GF - Cost	At least	10,000
-		210,000	

Note: GF=General Fund; TF=Transportation Fund

Municipal Impact: None

Explanation

Section 2 changes the existing \$5,000 transportation network company (TNC) registration and annual renewal fees to a tiered fee structure, up to \$30,000, based on the number of drivers active on that TNC's platform. According to the Department of Transportation (DOT), there are five TNCs currently registered in the state. It is unknown how many drivers are active on each TNC's platform in the state; however, it is expected that at least two companies will be subject to the highest fee level, resulting in an annual revenue gain of at least \$50,000 to the STF.

Section 4 requires transportation network and third-party delivery companies to annually submit final receipts and weekly summaries to the Department of Labor (DOL). This results in a one-time cost to the DOL of at least \$210,000 in FY 26 to build a technology solution that receives the information provided by the companies.

Section 5 requires the Labor Commissioner to announce the adjustment in the minimum compensation for prearranged rides and

deliveries. This does not result in any fiscal impact for the state or municipalities as it can be accomplished with existing resources.¹

The remaining sections of the bill make other changes to the disclosure and recordkeeping requirements for TNCs and third-party delivery companies, which do not result in a fiscal impact to the state or municipalities.

The Out Years

After FY 26, there is an expected \$10,000 cost annually to the DOL to maintain the technology that would receive the information submitted by the transportation network and third-party delivery companies.

¹ The bill establishes the adjustment is based on the employment cost index, as calculated by the United States Department of Labor.