



## Fiscal Note

### Legislative Council Staff

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## HB 26-1306: WILD HORSE LICENSE PLATE

**Prime Sponsors:**

Rep. Duran

**Fiscal Analyst:**

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**Published for:** House Finance

**Drafting number:** LLS 26-0726

**Version:** Initial Fiscal Note

**Date:** April 1, 2026

**Fiscal note status:** The fiscal note reflects the introduced bill.

### Summary Information

**Overview.** The bill creates the Wild Horse special license plate to support of the management of wild horse populations.

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

- State Expenditures
- State Revenue
- TABOR Refunds
- Local Government

**Appropriations.** For FY 2026-27, the bill requires an appropriation of \$152,611 to the Department of Revenue. No appropriation is required from the Wild Horse Fund, which is continuously appropriated to the Department of Agriculture.

**Table 1**  
**State Fiscal Impacts**

Type of Impact	Budget Year FY 2026-27	Out Year FY 2027-28	Out Year FY 2028-29
State Revenue	\$878,825	\$2,204,127	\$1,166,100
State Expenditures	\$531,611	\$1,417,027	\$1,166,100
Transferred Funds	\$0	\$0	\$0
Change in TABOR Refunds	\$499,825	\$1,038,027	\$0
Change in State FTE	0.0 FTE	0.0 FTE	0.0 FTE

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

**Table 1A  
 State Revenue**

<b>Fund Source</b>	<b>Budget Year FY 2026-27</b>	<b>Out Year FY 2027-28</b>	<b>Out Year FY 2028-29</b>
General Fund	\$0	\$0	\$0
Cash Funds	\$878,825	\$2,204,127	\$1,166,100
<b>Total Revenue</b>	<b>\$878,825</b>	<b>\$2,204,127</b>	<b>\$1,166,100</b>

**Table 1B  
 State Expenditures**

<b>Fund Source</b>	<b>Budget Year FY 2026-27</b>	<b>Out Year FY 2027-28</b>	<b>Out Year FY 2028-29</b>
General Fund	\$0	\$0	\$0
Cash Funds	\$531,611	\$1,417,027	\$1,166,100
Federal Funds	\$0	\$0	\$0
Centrally Appropriated	\$0	\$0	\$0
<b>Total Expenditures</b>	<b>\$531,611</b>	<b>\$1,417,027</b>	<b>\$1,166,100</b>
<b>Total FTE</b>	<b>0.0 FTE</b>	<b>0.0 FTE</b>	<b>0.0 FTE</b>

## Summary of Legislation

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The bill creates the Wild Horse license plate, which is available to all applicants who make an annual donation of \$50 to the Wild Horse Fund. Applicants must also pay two one-time fees of \$25, in addition to standard license plate fees and taxes, to the Department of Revenue (DOR). The plate is available January 1, 2027, or when the department is able to issue the plate.

## Background

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[Senate Bill 23-275](#) created programs in the Colorado Department of Agriculture (CDA) to support the management of wild horses in Colorado; established the Wild Horse Project Fund to support fertility control management of wild horse populations; and transferred \$1.5 million from the General Fund to the new cash fund. [House Bill 25-1283](#) renamed the fund as the Wild Horse Fund, allowed the CDA to implement an immunocontraception program for wild horses, and created the Wild Horse Advisory Committee. The Wild Horse fund is continuously appropriated to the Department of Agriculture.

## Assumptions

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Demand for this new plate is assumed to be similar to the demand for the Born to Be Wild license plate. Out of the 6.3 million registered vehicles in Colorado, the Born to Be Wild plate has a 0.369 percent participation rate and about 23,322 plates issued over multiple years. The fiscal note assumes 32.5 percent (7,580 plates) of Wild Horse plates sold will be issued in the first six months the plate is available and the other 67.5 percent (15,742 plates) will be issued in the following 12 months, assuming the DOR begins issuing plates on January 1, 2027. If Wild Horse plates are sold in FY 2028-29 and later, revenue impacts will increase in those years.

## State Revenue

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The bill increases state cash fund revenue to the DOR and the CDA by an estimated \$878,000 in FY 2026-27 and \$2.2 million in FY 2027-28, and to the CDA only by about \$1.2 million in FY 2028-29 and future years. Ongoing revenue impacts to the CDA result from the license plate requiring an annual donation. Revenue to the DOR is subject to TABOR, while license plate revenue to the Wild Horse Cash Fund in the CDA is exempt from TABOR. These impacts are shown in Table 2 and discussed below.

**Table 2  
State Revenue**

<b>Department</b>	<b>Budget Year FY 2026-27</b>	<b>Out Year FY 2027-28</b>	<b>Out Year FY 2028-29</b>
Department of Revenue	\$499,825	\$1,038,027	\$0
Department of Agriculture	\$379,000	\$1,166,100	\$1,166,100
<b>Total Revenue</b>	<b>\$878,825</b>	<b>\$2,204,127</b>	<b>\$1,166,100</b>

Revenue impacts may vary based on when license plates are sold. For informational purposes, revenue impacts are shown as outlined in the Assumptions section.

## Department of Revenue

### Special License Plate Fees

Applicants for the Wild Horse special license plate are required to pay an additional \$50 in fees, of which \$25 is credited to the Highway Users Tax Fund (HUTF) and \$25 is credited to the DRIVES Cash Fund, as shown in Table 2A.

**Standard License Plate Fees**

Upon registration, all vehicle owners must pay a plate and tab production fee of \$15.94 for a digital passenger vehicle plate set in FY 2026-27 and beyond. All specialty plates are manufactured as digital plates, and the fiscal note assumes motorcycle issuance will be minimal. Fees from plate and tab production are credited to the License Plate Cash Fund (LPCF).

**Table 2A  
 State Revenue  
 Department of Revenue**

<b>Fund Source</b>	<b>Budget Year FY 2026-27</b>	<b>Out Year FY 2027-28</b>	<b>Out Year FY 2028-29</b>
Highway Users Tax Fund (\$25) (see Table 2C)	\$189,500	\$393,550	\$0
DRIVES Cash Fund (\$25)	\$189,500	\$393,550	\$0
License Plate Cash Fund (\$15.94)	\$120,825	\$250,927	\$0
<b>Total Revenue</b>	<b>\$499,825</b>	<b>\$1,038,027</b>	<b>\$0</b>

**Department of Agriculture**

The CDA receives \$50 per year for each plate issued and renewed. As shown in Table 2B and discussed in the Assumptions section, this increases TABOR-exempt revenue to the Wild Horse Fund by \$379,000 in FY 2026-27 and about \$1.2 million in FY 2027-28 and future years.

**Table 2B  
 State Revenue  
 Department of Agriculture**

<b>Fund Source</b>	<b>Budget Year FY 2026-27</b>	<b>Out Year FY 2027-28</b>	<b>Out Year FY 2028-29</b>
Wild Horse Fund	\$379,000	\$1,166,100	\$1,166,100
<b>Total Revenue</b>	<b>\$379,000</b>	<b>\$1,166,100</b>	<b>\$1,166,100</b>

**Highway Users Tax Fund Distributions**

Of the HUTF revenue generated under this bill, 65 percent is credited to the State Highway Fund (SHF) for expenditure by the Department of Transportation, 26 percent is credited to counties, and 9 percent is credited to municipalities. Table 2C outlines the estimated distribution of HUTF revenue generated under this bill.

**Table 2C  
HUTF Distributions  
Department of Transportation and Local Governments**

<b>HUTF Distributions</b>	<b>Budget Year FY 2026-27</b>	<b>Out Year FY 2027-28</b>	<b>Out Year FY 2028-29</b>
State Highway Fund (65 percent)	\$123,175	\$255,808	\$0
Counties (26 percent)	\$49,270	\$102,323	\$0
Municipalities (9 percent)	\$17,055	\$35,419	\$0
<b>Total HUTF Distribution</b>	<b>\$189,500</b>	<b>\$393,550</b>	<b>\$0</b>

### State Expenditures

The bill increases state cash fund expenditures in the DOR and the CDA by about \$532,000 in FY 2026-27 and \$1.4 million in FY 2027-28, and in the CDA only by about \$1.2 million in FY 2028-29 and future years. These costs are summarized in Table 3 and discussed below.

**Table 3  
State Expenditures  
All Departments**

<b>Department</b>	<b>Budget Year FY 2026-27</b>	<b>Out Year FY 2027-28</b>	<b>Out Year FY 2028-29</b>
Department of Revenue	\$152,611	\$250,927	\$0
Department of Agriculture	\$379,000	\$1,166,100	\$1,166,100
<b>Total Costs</b>	<b>\$531,611</b>	<b>\$1,417,027</b>	<b>\$1,166,100</b>

### Department of Revenue

The DOR will have costs to produce the new plates, perform computer system changes, and make other updates, as outlined below and detailed in Table 3A.

#### Plate and Tab Production

As discussed in the State Revenue section, plate tab and production costs for special group plate sets are \$15.94 per set in FY 2026-27 and subsequent years. Based on the assumed number of plates, this will increase costs by the amounts shown in Table 3A. In addition, Colorado Correctional Industries will receive a one-time fee of \$250 for designing the plate. Plate and tab production costs are paid from the LPCF.

### DRIVES Programming

The bill requires \$31,536 in FY 2026-27 to update the DRIVES system with the license plate. Programming costs include \$23,584 for 88 hours of programming at a rate of \$268, plus \$4,592 for an estimated 112 hours of testing and support at a rate of \$41 per hour. The Office of Information Technology (OIT) support requirements are estimated at a rate of \$112 per hour for 30 hours.

### Training and Materials Updates

DOR will be required to update rules, forms, manuals, and the department's website to include the license plate. The DOR will also provide training to authorized agents, Title and Registration Section staff, and law enforcement. Any workload increases or costs associated with these activities can be accomplished within existing appropriations.

**Table 3A  
 State Expenditures  
 Department of Revenue**

<b>Cost Component</b>	<b>Budget Year FY 2026-27</b>	<b>Out Year 1 FY 2027-28</b>	<b>Out Year 2 FY 2028-29</b>
Plate and Tab Production	\$121,075	\$250,927	\$0
DRIVES Programming	\$31,536	\$0	\$0
<b>Total Costs</b>	<b>\$152,611</b>	<b>\$250,927</b>	<b>\$0</b>
<b>Total FTE</b>	<b>0.0 FTE</b>	<b>0.0 FTE</b>	<b>0.0 FTE</b>

### Department of Agriculture

The CDA will use funding from the Wild Horse special license plate—estimated at \$380,000 in FY 2026-27 and \$1.2 million per year thereafter—to support wild horse management and immunocontraception programs. Currently, CDA reviews contracts, proposals, and invoices for program activities and visits program sites around the state. With greater funds to manage and distribute, the expenditures for the program will correspondingly increase. Existing staff can accomplish this work without the need for additional appropriations.

### TABOR Refunds

The bill is expected to increase the amount of state revenue required to be refunded to taxpayers by the amounts shown in Table 1A above. This estimate assumes the March 2026 LCS revenue forecast. A forecast of state revenue subject to TABOR is not available beyond FY 2027-28. Because TABOR refunds are paid from the General Fund, increased cash fund revenue will reduce the amount of General Fund available to spend or save in FY 2026-27, FY 2027-28, and any future years when the state is over its revenue limit.

## Local Government

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The bill will increase local government HUTF revenue by the amount shown Table 2C. HUTF revenue generated by license plate fees is distributed to counties (26 percent) and municipalities (9 percent) for transportation needs.

## Effective Date

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The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

## State Appropriations

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For FY 2026-27, the bill requires an appropriation of \$152,611 to the Department of Revenue. Of this total:

- \$31,536 is from the DRIVES Cash Fund; and,
- \$121,075 is from the License Plate Cash Fund.

## State and Local Government Contacts

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Agriculture	County Clerks
Corrections	Revenue
Counties	