

NOTE: This bill has been prepared for the signatures of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.

An Act

HOUSE BILL 22-1351

BY REPRESENTATIVE(S) Roberts and McLachlan, Bird, Snyder, Young, Bernett, Caraveo, Cutter, Duran, Hooton, Lindsay, Lontine, McCluskie, Michaelson Jenet, Mullica, Ricks, Weissman, Garnett; also SENATOR(S) Pettersen and Hinrichsen, Donovan, Kolker.

CONCERNING A TEMPORARY REDUCTION IN THE TOTAL AMOUNT OF ROAD USER CHARGES TO BE IMPOSED DURING STATE FISCAL YEARS 2022-23 AND 2023-24, AND, IN CONNECTION THEREWITH, TEMPORARILY REDUCING GAS PRICES AND MAKING AN APPROPRIATION.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. Legislative declaration. (1) The general assembly hereby finds and declares that:

(a) The general public faces increased economic pressure on their daily lives due to rising national inflation and increasing fuel prices amid the international crisis in Ukraine;

(b) On February 24, 2022, Russia launched a full scale assault on Ukraine leading to widespread devastation, untold casualties, and global economic disruptions;

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

(c) According to nonpartisan organizations, Coloradans have seen a significant increase in gas prices in the weeks following the Russian military invasion of Ukraine;

(d) The invasion of Ukraine may lead to a protracted conflict with unanticipated economic impacts, and the bipartisan effort responding to Russia's unjust actions announced on March 8, 2022, to ban the import of Russian oil may lead to further increases in global crude oil prices;

(e) Delaying the implementation of the road usage fee that the general assembly approved in Senate Bill 21-260, "Concerning the sustainability of the transportation system in Colorado", can help put money back in people's pockets during the state's economic recovery;

(f) The road usage fee is a two cent per gallon fee on gasoline and diesel that is scheduled to go into effect in July 2022 and increase in future fiscal years, and it is necessary and appropriate to delay the initial implementation of the fee by nine months from July 2022 to April 2023, and to use forty-four million eight hundred thousand dollars of state general fund money to backfill the fee revenue loss resulting from the delay;

(g) Reducing the amount that drivers pay for their motor vehicle registrations will also reduce the financial stress many Coloradans face;

(h) The road safety surcharge is a motor vehicle registration fee that currently costs between sixteen and thirty-nine dollars per vehicle depending on the vehicle's weight. Senate Bill 21-260 reduced the amount of the road safety surcharge by eleven dollars and ten cents for registrations in 2022 and by five dollars and fifty-five cents for registrations in 2023 without affecting surcharges for 2024 and later years, and it is necessary and appropriate to increase the amount of the reduction in the road safety surcharge for registrations in 2023 to eleven dollars and ten cents and to use thirty-three million seven hundred thousand dollars of state general fund money to backfill the fee revenue loss resulting from the additional reduction.

(i) The department of transportation and local governments rely on this money for safety projects on roads and bridges, as well as general state construction funding dedicated to existing road project development;

(j) Building on the governor's package of requested fee relief for businesses and individuals, the governor and the general assembly propose to use seventy-eight million five hundred thousand dollars of general fund money to provide fee relief for motor vehicle owners;

(k) The amount of funding for the road usage fee delay is forty-four million eight hundred thousand dollars;

(l) The amount of funding for the additional road safety surcharge reduction is thirty-three million seven hundred thousand dollars;

(m) The general assembly recognizes the importance of backfilling the revenue loss resulting from the road usage fee delay and additional road safety surcharge reduction from the general fund to ensure that the public's safety is protected and that essential transportation dollars reach the projects;

(n) The general assembly finds it necessary to transfer seventy-eight million five hundred thousand dollars of general fund money to the state highway fund and the highway users tax fund; and

(o) Transferring this money from the general fund to the state highway fund and the highway users tax fund will ensure that the department of transportation and local governments have the funding necessary to provide transportation projects for the safety and betterment of the state and local transportation systems.

SECTION 2. In Colorado Revised Statutes, 24-75-219, **add** (7)(b.5) as follows:

24-75-219. Transfers - transportation - capital construction - definitions - repeal. (7) In addition to any other transfers required by this section:

(b.5) ON JULY 1, 2022, THE STATE TREASURER SHALL TRANSFER:

(I) FORTY-SEVEN MILLION ONE HUNDRED THOUSAND DOLLARS FROM THE GENERAL FUND TO THE STATE HIGHWAY FUND; AND

(II) THIRTY-ONE MILLION FOUR HUNDRED THOUSAND DOLLARS FROM

THE GENERAL FUND TO THE HIGHWAY USERS TAX FUND.

SECTION 3. In Colorado Revised Statutes, 43-4-205, **amend** (6.8)(c) introductory portion as follows:

43-4-205. Allocation of fund. (6.8) (c) Money RECEIVED BY THE STATE FROM THE FEDERAL CORONAVIRUS STATE FISCAL RECOVERY FUND AND transferred ~~from the general fund~~ to the highway users tax fund pursuant to section 24-75-219 (7)(a)(III) AND MONEY TRANSFERRED FROM THE GENERAL FUND TO THE HIGHWAY USERS TAX FUND PURSUANT TO SECTION 24-75-219 (7)(b.5)(II) must be allocated and expended as follows:

SECTION 4. In Colorado Revised Statutes, 43-4-217, **amend** (3)(a), (3)(b)(I) introductory portion, (3)(b)(I)(A), (4)(a), (4)(b)(I) introductory portion, and (4)(b)(I)(A) as follows:

43-4-217. Additional funding - road usage fees - rules - legislative declaration - definitions. (3) (a) Except as otherwise provided in subsection (6) of this section, on and after ~~July 1, 2022~~ APRIL 1, 2023, each distributor of gasoline that pays the excise tax imposed on gasoline shall also pay, at the same time and in the same manner as the excise tax, a road usage fee in the amount specified in subsection (3)(b)(I) of this section or annually calculated by the department of revenue as required by subsection (3)(b)(II) or (3)(b)(III) of this section.

(b) (I) The amount of the road usage fee for each gallon of gasoline acquired, sold, offered for sale, or used in this state FROM APRIL 1, 2023, THROUGH JUNE 30, 2023, AND during state fiscal ~~years 2022-23~~ YEARS 2023-24 through 2031-32 is:

(A) Two cents per gallon for ~~state fiscal year 2022-23~~ FROM APRIL 1, 2023, THROUGH JUNE 30, 2023;

(4) (a) Except as otherwise provided in subsection (6) of this section, on and after ~~July 1, 2022~~ APRIL 1, 2023, each distributor of special fuel that pays the excise tax imposed on special fuel shall also pay, at the same time and in the same manner as the excise tax, a road usage fee in the amount specified in subsection (4)(b)(I) of this section or annually calculated by the department of revenue as required by subsection (4)(b)(II) or (4)(b)(III) of this section.

(b) (I) The amount of the road usage fee for each gallon of special fuel acquired, sold, offered for sale, or used in this state FROM APRIL 1, 2023, THROUGH JUNE 30, 2023, AND during state fiscal years ~~2022-23~~ YEARS 2023-24 through 2031-32 is:

(A) Two cents per gallon for ~~state fiscal year 2022-23~~ FROM APRIL 1, 2023, THROUGH JUNE 30, 2023;

SECTION 5. In Colorado Revised Statutes, 43-4-804, **amend** (1)(a)(VIII) as follows:

43-4-804. Highway safety projects - surcharges and fees - crediting of money to highway users tax fund - definition. (1) On and after July 1, 2009, the following surcharges, fees, and fines shall be collected and credited to the highway users tax fund created in section 43-4-201 (1)(a) and allocated to the state highway fund, counties, and municipalities as specified in section 43-4-205 (6.3):

(a) (VIII) ~~(A)~~ For any registration period that begins on or after January 1, 2022, but before ~~January 1, 2023~~ JANUARY 1, 2024, the amount of each road safety surcharge imposed pursuant to subsection (1)(a)(I) of this section is reduced by eleven dollars and ten cents.

~~(B) For any registration period that begins on or after January 1, 2023, but before January 1, 2024, the amount of each road safety surcharge imposed pursuant to subsection (1)(a)(I) of this section is reduced by five dollars and fifty-five cents.~~

SECTION 6. Appropriation. For the 2022-23 state fiscal year, \$5,850 is appropriated to the department of revenue for use by the division of motor vehicles. This appropriation is from the general fund. To implement this act, the department may use this appropriation for DRIVES maintenance and support.

SECTION 7. Safety clause. The general assembly hereby finds,

determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety.

Alec Garnett
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Steve Fenberg
PRESIDENT OF
THE SENATE

Robin Jones
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

Cindi L. Markwell
SECRETARY OF
THE SENATE

APPROVED _____
(Date and Time)

Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO