



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado’s Legislature

SB 26-035: INCREASE OF TRAFFIC VIOLATION PENALTIES

Prime Sponsors:

Sen. Roberts
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Fiscal note status: This revised fiscal note reflects the reengrossed bill, as amended by the House Transportation, Housing, and Local Government Committee.

Summary Information

Overview. The bill increases the penalties for improper passing and repeat speeding violations.

Types of impacts. The bill is projected to affect the following areas on an ongoing basis starting in FY 2026-27:

- Minimal State Revenue
- State Expenditures
- Local Government

Appropriations. For FY 2026-27, the bill includes a cash fund appropriation of \$30,943 to the Department of Revenue; it requires an appropriation of \$36,237.

**Table 1
State Fiscal Impacts**

Type of Impact	Budget Year FY 2026-27	Out Year FY 2027-28
State Revenue	\$0	\$0
State Expenditures (Cash Funds)	\$36,237	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

Summary of Legislation

The bill increases the penalties for improper passing, exceeding speed limits, and hazardous material transportation violations as described below.

Improper Passing

The bill increases the points assessed against a driver license for improper passing from four to eight. Additionally, for the offense of violating the limitations on overtaking on the left, the penalty of \$100 is mandatory and no portion may be suspended by a court.

The bill also clarifies that a no-passing zone may be indicated by the beginning and end of a solid yellow pavement line. The Colorado Department of Transportation (CDOT) must prioritize installing no-passing signs in areas where crashes have increased from incidents of illegal overtaking on the left in no-passing zones.

Exceeding Speed Limits

The bill requires an additional four driver license points assessed for driving 100 miles per hour or more. The bill also establishes the following driver license point penalties, which are in addition to other point penalties, for driving 15 miles per hour in excess of the reasonable and prudent speed or in excess of 75 miles per hour:

- for a second violation in a 12-month period, two points
- for three or more violations in a 24-month period, four points; and
- for five or more violations in a five-year period, eight points.

Additionally, a driver who is subject to one of these additional point penalties is ineligible to receive a penalty assessment notice and is not subject to the penalty and surcharge schedule for traffic violations. Instead, the penalties are those applied to traffic infractions and misdemeanor traffic offenses generally.

Hazardous Materials Transportation

Under current law, a person who transports hazardous materials and deviates from designated routes is subject to a penalty of \$250 for each separate violation, and a penalty of between \$250 and \$500 for a second or subsequent violation within a 12-month period. The bill doubles these penalties, making an initial offense \$500 and a second or subsequent offense subject to a range of \$500 to \$1,000.

Comparable Crime Analysis

Legislative Council Staff is required to include certain analysis in the fiscal note for any bill that creates a new crime, or that either reclassifies or creates a new factual basis for an existing crime. This section identifies comparable crimes and discusses assumptions on future conviction rates resulting from the bill.

Prior Conviction Data

Limitations on Overtaking on the Left

This bill increases the driver license point penalties and mandates an unsuspended penalty for the existing offense of violating the limitations on overtaking on the left, a class A traffic infraction. From FY 2022-23 to FY 2024-25, 398 individuals have been convicted and sentenced for this offense. Of the persons convicted, 309 were male and 89 were female. Demographically, 309 were White, 31 were Black/African American, 40 were Hispanic, 3 were Asian, 3 were American Indian, 7 were classified as "Other," and 5 did not have a race identified.

Speed Limits

For the existing offense of exceeding the speed limit, a class A traffic infraction, a class 2 misdemeanor traffic offense, or a class 1 misdemeanor traffic offense depending on the circumstances, the bill stipulates additional driver license point penalties for repeated violations that occur within certain periods of time. From FY 2022-23 to FY 2024-25, 76,229 individuals have been convicted and sentenced for this offense. Of the persons convicted, 54,022 were male, 21,865 were female, and 342 did not have a gender identified. Demographically, 60,561 were White, 5,680 were Black/African American, 6,059 were Hispanic, 1,360 were Asian, 403 were American Indian, 1,357 were classified as "Other," and 809 did not have a race identified.

Hazardous Materials Transportation

The bill increases the fine penalties for the existing offense of deviating from routes for hazardous material transportation, which is only a fine for an initial offense or a misdemeanor traffic offense for a second or subsequent violation in a 12-month period. From FY 2022-23 to FY 2024-25, 13 individuals have been convicted and sentenced for this offense. Of the persons convicted, all 13 were male. Demographically, 8 were White, 2 were Black/African American, and 3 were classified as "Other."

Assumptions

The bill is not changing the underlying factual basis for these offenses, and so it is not anticipated to affect how frequently these offenses occur. Therefore, the fiscal note assumes that there will be minimal or no additional case filings or convictions for these offenses under the bill. Visit the [Fiscal Notes website](#) for more information about criminal justice costs in fiscal notes.

State Revenue

Starting in FY 2026-27, the bill may impact revenue in the Department of Revenue (DOR) and the Judicial Department as described below.

Department of Revenue

By increasing the driver license point penalties for violations, the DOR may suspend more driver licenses. Correspondingly, state revenue in the DOR from fees paid to reinstate driver licenses may increase. The bill may also increase the amount of fine revenue received from hazardous material transportation violations. This revenue accrues to the Highway Users Tax Fund (HUTF). The exact increase will depend on how many licenses are suspended, how many individuals choose to pay the fee for reinstatement, and how many hazardous material transportation violations occur. The overall amount of additional state revenue to the HUTF is expected to be minimal.

Judicial Department

By prohibiting a penalty assessment notice in more cases, the bill may increase the number of cases filed in state courts. This would increase state revenue in the Judicial Department from court fees. However, it is unknown how many speeding offenses are a subsequent occurrence that, under the bill, would make them ineligible for a penalty assessment notice and thus incur court fees from a case filing. It is assumed that this is a narrow subset of cases, and that any revenue increase from court fees will be minimal.

State Expenditures

The bill increases state expenditures in the Department of Revenue by about \$36,000 in FY 2026-27 only. These costs, paid from the DRIVES Cash Fund, are summarized in Table 2 and discussed below. The bill also minimally affects workload in the Judicial Department and CDOT.

Table 2
State Expenditures
Department of Revenue

Cost Component	Budget Year FY 2026-27	Out Year FY 2027-28
OIT Programing Costs	\$3,348	\$0
DOR Programing Costs	\$30,429	\$0
DOR User Acceptance Testing	\$2,460	\$0
Total Costs	\$36,237	\$0
Total FTE	0.0 FTE	0.0 FTE

Department of Revenue

The DOR will have expenditures in FY 2026-27 for programming to update the DRIVES system to implement the penalty changes in the bill. This includes:

- 31 hours of programming from the Office of Information Technology, at a cost of \$108.00 per hour
- 192 hours of programming from the DOR’s DRIVES vendor, at a blended cost of \$165.75 per hour; and
- 60 hours of user acceptance testing, at a cost of \$41.00 per hour.

Judicial Department

Starting in FY 2026-27, workload will minimally increase in the trial courts of the Judicial Department if more cases are filed as a result of certain offenses becoming ineligible for a penalty assessment notification. Given the narrow scope of offenses, no change in appropriations is required for the increased workload.

Department of Transportation

Starting in FY 2026-27, the CDOT will have increased expenditures to prioritize the installation of additional no-passing signage in areas with high rates of motor vehicle crashes caused by illegal overtaking. Workload to establish a uniform process for prioritizing signage installation is absorbable and no change in appropriations is required. In addition, installing more signage, when necessary, will decrease the amount of money available for maintenance activities.

Local Government

The bill may minimally impact local government revenue from the HUTF. HUTF revenue generated by traffic fines is distributed to counties (26 percent) and municipalities (9 percent) for transportation needs.

Similar to the state, the bill may increase revenue to and workload in the local courts, including the Denver County Court, which is managed and funded by Denver City and County, and municipal courts.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed, and applies to offenses committed on or after this date.

State Appropriations

For FY 2026-27, the bill includes an appropriation of \$30,943 from the DRIVES Cash Fund to the Department of Revenue. However, the bill was amended, and it now requires an appropriation of \$36,237 from the DRIVES Cash Fund.

State and Local Government Contacts

District Attorneys	Public Safety
Information Technology	Revenue
Judicial	Transportation

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).