

CHAPTER 266

MOTOR VEHICLES AND TRAFFIC REGULATION

HOUSE BILL 26-1102

BY REPRESENTATIVE(S) Lindsay, Brown, Sirota, Bacon, Lieder, Nguyen, Paschal, Smith, Story;
also SENATOR(S) Snyder, Amabile, Kipp, Coleman.**AN ACT****CONCERNING THE FUNDING OF THE COLORADO DRIVES VEHICLE SERVICES ACCOUNT IN THE
HIGHWAY USERS TAX FUND.***Be it enacted by the General Assembly of the State of Colorado:***SECTION 1.** In Colorado Revised Statutes, 42-1-211, **amend as it exists until July 1, 2027**, (2)(a) as follows:**42-1-211. Driver's license, record, identification, and vehicle enterprise solution - DRIVES vehicle services account - Colorado DRIVES county governance committee - definition - repeal.**

(2) (a) The Colorado DRIVES vehicle services account is created in the highway users tax fund for the purpose of providing funds for the development and operation of Colorado DRIVES, including operations performed under articles 2, 3, 4, 6, 7, and 12 of this title 42, to cover the costs of administration and enforcement of the motorist insurance identification database program created in section 42-7-604, and to purchase and issue license plates, decals, and validating tabs in accordance with article 3 of this title 42. THE STATE TREASURER SHALL CREDIT money received from the fees imposed by sections 38-29-138 (1), (2), (4), and (5), 42-1-206 (2)(a), 42-1-210 (1)(a)(II), 42-1-231, 42-1-233 (3)(b), 42-2-107 (1)(a)(I), 42-2-114 (2)(b), (2)(c)(I), (2)(c)(II), (2)(e), and (4)(a), 42-2-114.5 (1), 42-2-117 (1), 42-2-118 (1)(b)(I)(C) and (1.5)(b), 42-2-133 (2), 42-2-306 (2), 42-2-406 (1), (2), (3)(d), and (6), 42-2-508 (1), 42-3-107 (22), ~~42-3-211 (7)~~, 42-3-213 (1)(b)(IV), 42-3-304 (18)(d)(I)(B), 42-3-306 (14), 42-3-312, 42-3-313 (2)(c)(I), 42-6-110 (1.7)(c), 42-6-137 (1), (2), (4), (5), and (6), and 42-6-138 (1)(a), (2), and (4) and any money received through gifts, grants, and donations to the account from private or public sources for the purposes of this section ~~shall be credited by the state treasurer~~ to the Colorado DRIVES vehicle services account. The general assembly shall appropriate

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.

annually the money in the account for the purposes of this subsection (2). If any unexpended and unencumbered money remains in the account at the end of a fiscal year, the balance remains in the account and is not transferred to the general fund or any other fund.

SECTION 2. In Colorado Revised Statutes, 42-1-211, **amend as it will become effective July 1, 2027**, (2)(a) as follows:

42-1-211. Driver's license, record, identification, and vehicle enterprise solution - DRIVES vehicle services account - Colorado DRIVES county governance committee - definition - repeal.

(2) (a) The Colorado DRIVES vehicle services account is created in the highway users tax fund for the purpose of providing funds for the development and operation of Colorado DRIVES, including operations performed under articles 2, 3, 4, 6, 7, and 12 of this title 42, to cover the costs of administration and enforcement of the motorist insurance identification database program created in section 42-7-604, and to purchase and issue license plates, decals, and validating tabs in accordance with article 3 of this title 42. THE STATE TREASURER SHALL CREDIT money received from the fees imposed by sections 38-29-138 (1), (2), (4), and (5), 42-1-206 (2)(a), 42-1-210 (1)(a)(II), 42-1-231, 42-1-233 (3)(b), 42-2-107 (1)(a)(I), 42-2-114 (2)(b), (2)(c)(I), (2)(c)(II), (2)(e), and (4)(a), 42-2-114.5 (1), 42-2-117 (1), 42-2-118 (1)(b)(I)(C) and (1.5)(b), 42-2-133 (2), 42-2-306 (2), 42-2-406 (1), (2), (3)(d), and (6), 42-2-508 (1), 42-3-107 (22), ~~42-3-112 (2), 42-3-211 (7)~~, 42-3-213 (1)(b)(IV), 42-3-304 (18)(d)(I)(B), 42-3-306 (14), 42-3-312, 42-3-313 (2)(c)(I), 42-3-315, 42-6-110 (1.7)(c), 42-6-137 (1), (2), (4), (5), and (6), and 42-6-138 (1)(a), (2), and (4) and any money received through gifts, grants, and donations to the account from private or public sources for the purposes of this section ~~shall be credited by the state treasurer~~ to the Colorado DRIVES vehicle services account. The general assembly shall appropriate annually the money in the account for the purposes of this subsection (2). If any unexpended and unencumbered money remains in the account at the end of a fiscal year, the balance remains in the account and is not transferred to the general fund or any other fund.

SECTION 3. In Colorado Revised Statutes, 42-3-112, **amend** (2) as follows:

42-3-112. Failure to pay tax - penalty - rules - repeal.

(2) THE DEPARTMENT OR THE AUTHORIZED AGENT THAT REGISTERS THE MOTOR VEHICLE SHALL RETAIN ten dollars of the late registration fee. ~~shall be retained by the department or the authorized agent who registers the motor vehicle~~ Each authorized agent shall remit to the department no less frequently than once a month, but otherwise at the time and in the manner required by the executive director of the department, the remainder of the late registration fees collected by the authorized agent. The executive director shall forward all late registration fees remitted by authorized agents plus the remainder of the late registration fees collected directly by the department to the state treasurer, who shall credit THE LATE REGISTRATION FEES AS FOLLOWS:

(a) (I) ~~THE~~ FOR LATE REGISTRATION FEES FORWARDED ON OR BEFORE JUNE 30, 2027, ALL fees to the highway users tax fund in accordance with section 43-4-804 (1)(e). ~~C.R.S.~~

(II) THIS SUBSECTION (2)(a) IS REPEALED, EFFECTIVE JULY 1, 2028.

(b) FOR LATE REGISTRATION FEES FORWARDED ON AND AFTER JULY 1, 2027, TWO DOLLARS OF EACH LATE REGISTRATION FEE TO THE COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2) IN THE HIGHWAY USERS TAX FUND AND THE REMAINDER OF THE FEES TO THE HIGHWAY USERS TAX FUND IN ACCORDANCE WITH SECTION 43-4-804 (1)(e).

SECTION 4. In Colorado Revised Statutes, 42-3-211, **amend** (7) as follows:

42-3-211. Issuance of personalized plates authorized.

(7) (a) All applications for special registration of motor vehicles ~~shall~~ MUST be made directly to the department, and THE DEPARTMENT ~~shall be administered by~~ ADMINISTER the ~~department~~ SPECIAL REGISTRATIONS.

(b) (I) (A) All fees received ON OR BEFORE JUNE 30, 2026, from special registrations ~~shall be~~ ARE credited to the highway users tax fund created in section 43-4-201 ~~C.R.S.~~; and allocated and expended as specified in section 43-4-205 (5.5)(b); ~~C.R.S.~~ except that two dollars of each such special registration fee collected pursuant to ~~paragraphs (a) to (d) of subsection (6)~~ SUBSECTIONS (6)(a) TO (6)(c) of this section ~~shall be~~ IS remitted to the county general fund.

(B) THIS SUBSECTION (7)(b)(I) IS REPEALED, EFFECTIVE JULY 1, 2027.

(II) ON AND AFTER JULY 1, 2026, ALL FEES RECEIVED FROM SPECIAL REGISTRATIONS ARE CREDITED TO THE COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2) IN THE HIGHWAY USERS TAX FUND; EXCEPT THAT TWO DOLLARS OF EACH SPECIAL REGISTRATION FEE COLLECTED PURSUANT TO SUBSECTIONS (6)(a) TO (6)(c) OF THIS SECTION IS REMITTED TO THE COUNTY GENERAL FUND.

SECTION 5. Effective date. This act takes effect only if section 39-27-102, Colorado Revised Statutes, as amended in section 21 of House Bill 26-1289, becomes law, in which case section 2 of this act takes effect July 1, 2027, and the remainder of this act takes effect upon passage or on the effective date of House Bill 26-1289, whichever is later.

SECTION 6. Safety clause. The general assembly finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety or for appropriations for the support and maintenance of the departments of the state and state institutions.

Approved: June 1, 2026