

First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

REDRAFT
3/25/25

Double underlining
denotes changes from
prior draft

DRAFT

LLS NO. 25-0890.01 Rebecca Bayetti x4348

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: Temporarily Reduce Road Safety Surcharge

A BILL FOR AN ACT

101 **CONCERNING A TEMPORARY REDUCTION IN THE ROAD SAFETY**
102 **SURCHARGE, AND, IN CONNECTION THEREWITH, MODIFYING THE**
103 **ALLOCATION OF REVENUES FROM THE SURCHARGE TO INCREASE**
104 **ALLOCATIONS TO COUNTIES AND MUNICIPALITIES DURING THE**
105 **TEMPORARY REDUCTION.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov/>.)

Joint Budget Committee. The bill temporarily reduces by \$3.70 the road safety surcharge for each vehicle class for any registration period

*Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words indicate deletions from existing law.*

that begins on or after January 1, 2026, but before January 1, 2028. Revenue from the road safety surcharge is credited to the highway users tax fund and allocated to the state highway fund, counties, and municipalities. The bill adjusts this allocation for the time period of the temporary reduction in the road safety surcharge by increasing the county and municipal shares as follows:

- 56% to the state highway fund (reduced from 60%);
- 24% to counties (increased from 22%); and
- 20% to municipalities (increased from 18%).

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

2 **SECTION 1.** In Colorado Revised Statutes, 43-4-205, **amend**
3 (6.3) as follows:

4 **43-4-205. Allocation of fund - repeal.** (6.3) (a) Revenues from
5 the surcharges, fees, and fines credited to the highway users tax fund
6 pursuant to section 43-4-804 (1) ~~shall~~ MUST be allocated and expended in
7 accordance with the formula specified in ~~paragraph (b) of subsection (6)~~
8 SUBSECTION (6)(b) of this section.

9 (b) (I) NOTWITHSTANDING ANY PROVISION OF THIS SUBSECTION
10 (6.3) TO THE CONTRARY, REVENUES FROM THE SURCHARGES, FEES, AND
11 FINES CREDITED TO THE HIGHWAY USERS TAX FUND PURSUANT TO SECTION
12 43-4-804 (1) FOR ANY REGISTRATION PERIOD THAT BEGINS ON OR AFTER
13 JANUARY 1, 2026, BUT BEFORE JANUARY 1, 2028, MAY BE EXPENDED
14 ONLY FOR IMPROVEMENTS TO HIGHWAYS WITHIN THE STATE, INCLUDING
15 NEW CONSTRUCTION, SAFETY IMPROVEMENTS, MAINTENANCE, AND
16 CAPACITY IMPROVEMENTS, AND FOR OTHER TRANSPORTATION-RELATED
17 PROJECTS TO THE EXTENT AUTHORIZED BY LAW, AND MAY NOT BE
18 EXPENDED FOR ADMINISTRATIVE PURPOSES. SUCH REVENUE IS ALLOCATED
19 AS FOLLOWS:

20 (A) FIFTY-SIX PERCENT OF SUCH REVENUE MUST BE PAID TO THE

1 STATE HIGHWAY FUND AND MUST BE EXPENDED AS PROVIDED IN SECTION
2 43-4-206;

3 (B) TWENTY-FOUR PERCENT OF SUCH REVENUE MUST BE PAID TO
4 THE COUNTY TREASURERS OF THE RESPECTIVE COUNTIES, SUBJECT TO
5 ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY, AND MUST BE
6 ALLOCATED AND EXPENDED AS PROVIDED IN SECTION 43-4-207; AND

7 (C) TWENTY PERCENT OF SUCH REVENUE MUST BE PAID TO THE
8 CITIES AND INCORPORATED TOWNS, SUBJECT TO ANNUAL APPROPRIATION
9 BY THE GENERAL ASSEMBLY, AND MUST BE ALLOCATED AND EXPENDED AS
10 PROVIDED IN SECTION 43-4-208 (2)(b) AND (6)(a).

11 (II) THIS SUBSECTION (6.3)(b) IS REPEALED, EFFECTIVE JULY 1,
12 2028.

13 **SECTION 2.** In Colorado Revised Statutes, 43-4-804, **amend**
14 (1)(a)(I) introductory portion; and **add** (1)(a)(IX) as follows:

15 **43-4-804. Highway safety projects - surcharges and fees -**
16 **crediting of money to highway users tax fund - definition.** (1) The
17 following surcharges, fees, and fines shall be collected and credited to the
18 highway users tax fund created in section 43-4-201 (1)(a) and allocated
19 to the state highway fund, counties, and municipalities as specified in
20 section 43-4-205 (6.3):

21 (a) (I) A road safety surcharge, which, except as otherwise
22 provided in subsections (1)(a)(III) and (1)(a)(VI) of this section, is
23 imposed for any registration period that commences on or after July 1,
24 2009, upon the registration of any vehicle for which a registration fee
25 must be paid pursuant to part 3 of article 3 of title 42 and is also imposed
26 upon any item of special mobile machinery that is covered by a
27 registration exempt certificate issued by the department of revenue in

1 accordance with section 42-3-107 (16)(g). Except as otherwise provided
2 in subsections (1)(a)(IV), (1)(a)(V), ~~and~~ (1)(a)(VIII), AND (1)(a)(IX) of
3 this section, the amount of the surcharge is:

4 (IX) FOR ANY REGISTRATION PERIOD THAT BEGINS ON OR AFTER
5 JANUARY 1, 2026, BUT BEFORE JANUARY 1, 2028, THE AMOUNT OF EACH
6 ROAD SAFETY SURCHARGE IMPOSED PURSUANT TO SUBSECTION (1)(a)(I)
7 OF THIS SECTION IS REDUCED BY THREE DOLLARS AND SEVENTY CENTS.

8 **SECTION 3. Act subject to petition - effective date.** This act
9 takes effect at 12:01 a.m. on the day following the expiration of the
10 ninety-day period after final adjournment of the general assembly; except
11 that, if a referendum petition is filed pursuant to section 1 (3) of article V
12 of the state constitution against this act or an item, section, or part of this
13 act within such period, then the act, item, section, or part will not take
14 effect unless approved by the people at the general election to be held in
15 November 2026 and, in such case, will take effect on the date of the
16 official declaration of the vote thereon by the governor.