

**First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 25-0754.01 Jason Gelender x4330

SENATE BILL 25-117

SENATE SPONSORSHIP

Bright, Baisley, Carson, Catlin, Frizzell, Kirkmeyer, Liston, Lundeen, Pelton B., Pelton R., Rich, Simpson

HOUSE SPONSORSHIP

(None),

Senate Committees

State, Veterans, & Military Affairs

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE REDUCTION OF TRANSPORTATION COSTS, AND, IN**
102 **CONNECTION THEREWITH, REPEALING CERTAIN GOVERNMENT**
103 **FEES IMPOSED ON GASOLINE AND CERTAIN SPECIAL FUEL,**
104 **PASSENGER RIDES BOOKED THROUGH TRANSPORTATION**
105 **NETWORK COMPANIES, SHORT-TERM MOTOR VEHICLE RENTALS,**
106 **AND WASTE TIRES AND REQUIRING THE NONATTAINMENT AREA**
107 **AIR POLLUTION MITIGATION ENTERPRISE TO ESTABLISH A**
108 **REFORMULATED GASOLINE COST STABILIZATION REBATE**
109 **PROGRAM.**

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

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
*Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.*

applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

For the purpose of reducing transportation costs, the bill repeals the following fees, effective July 1, 2025:

- The road usage fee imposed by the state and the bridge and tunnel impact fee imposed by the statewide bridge and tunnel enterprise that are imposed on the purchase of each gallon of taxed gasoline and special fuel;
- The fee imposed by the state on short-term motor vehicle rentals;
- The passenger per-ride fees imposed on car share rides by the state, the clean fleet enterprise, and the nonattainment area air pollution mitigation enterprise; and
- The waste tire enterprise fee imposed on the purchase of new motor vehicle and trailer tires by the waste tire management enterprise. Because this fee is the only source of revenue for the waste tire management enterprise, the bill also repeal the enterprise.

The bill also requires the nonattainment area air pollution mitigation enterprise, no later than January 1, 2026, to establish a reformulated gasoline cost stabilization program to offer reformulated gasoline cost stabilization rebates to individuals who own motor vehicles that are registered in counties in which the federal government requires all gasoline sold to be reformulated gasoline.

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

2 **SECTION 1.** In Colorado Revised Statutes, 25-7.5-102, **amend**
3 (13) and (16)(b)(II); and **repeal** (3), (19), (24), (26), (27), (28), and (29)
4 as follows:

5 **25-7.5-102. Definitions.** As used in this article 7.5, unless the
6 context otherwise requires:

7 (3) ~~"Car share ride" means a prearranged ride for which the rider~~
8 ~~agrees, at the time the rider requests the ride through a digital network, to~~
9 ~~be transported with another rider who has separately requested a~~
10 ~~prearranged ride regardless of whether or not another rider is actually~~
11 ~~transported with the rider.~~

1 (13) "Inflation" means the average annual percentage change in
2 the United States department of labor, bureau of labor statistics, consumer
3 price index for Denver-Aurora-Lakewood for all items and all urban
4 consumers, or its applicable predecessor or successor index, for the five
5 years ending on the last December 31 before a state fiscal year for which
6 an inflation adjustment to be made to ~~the clean fleet per ride fee imposed~~
7 ~~by section 25-7.5-103 (7)~~ or the clean fleet retail delivery fee imposed by
8 section 25-7.5-103 (8) begins.

9 (16) "Motor vehicle fleet" means a group of motor vehicles that
10 is owned or operated:

11 (b) By a business entity for a business if:

12 (II) The group of motor vehicles is owned or operated ~~by a~~
13 ~~company that rents motor vehicles in the fleet to transportation network~~
14 ~~company drivers for use in providing transportation network company~~
15 ~~services or is owned and operated~~ directly or indirectly through
16 independent contractors who own or lease individual motor vehicles in
17 the group ~~by a transportation network company~~ or by a retailer for the
18 purpose of making retail deliveries.

19 (19) ~~"Prearranged ride" has the same meaning as set forth in~~
20 ~~section 40-10.1-602 (2).~~

21 (24) ~~"Rider" has the same meaning as set forth in section~~
22 ~~40-10.1-602 (5).~~

23 (26) ~~"Transportation network company" has the same meaning as~~
24 ~~set forth in section 40-10.1-602 (3).~~

25 (27) ~~"Transportation network company driver" has the same~~
26 ~~meaning as set forth in section 40-10.1-602 (4).~~

27 (28) ~~"Transportation network company services" has the same~~

1 meaning as set forth in section ~~40-10.1-602 (6)~~.

2 (29) "~~Zero emissions motor vehicle~~" means a battery electric
3 ~~motor vehicle or a hydrogen fuel cell motor vehicle~~.

4 **SECTION 2.** In Colorado Revised Statutes, 25-7.5-103, **amend**
5 (3) introductory portion, (3)(a), (5)(a), and (6)(h); and **repeal** (7) as
6 follows:

7 **25-7.5-103. Clean fleet enterprise - creation - board - powers**
8 **and duties - fees - fund.** (3) The business purpose of the enterprise is to
9 incentivize and support the use of electric motor vehicles, including
10 motor vehicles that originally were powered exclusively by internal
11 combustion engines but have been converted into electric motor vehicles,
12 and, to the extent temporarily necessitated by the limitations of current
13 electric motor vehicle technology for certain fleet uses, compressed
14 natural gas motor vehicles that are fueled by recovered methane, by
15 businesses and governmental entities that own or operate fleets of motor
16 vehicles, including fleets composed of personal motor vehicles owned or
17 leased by individual contractors who ~~provide prearranged rides for~~
18 ~~transportation network companies~~ or deliver goods for a third-party
19 delivery service. To allow the enterprise to accomplish this purpose and
20 fully exercise its powers and duties through the board, the enterprise may:

21 (a) ~~Impose a clean fleet per ride fee and~~ a clean fleet retail
22 delivery fee as authorized by ~~subsections (7) and (8)~~ SUBSECTION (8) of
23 this section;

24 (5) (a) The clean fleet enterprise fund is hereby created in the state
25 treasury. The fund consists of ~~clean fleet per ride fee revenue and~~ clean
26 fleet retail delivery fee revenue credited to the fund pursuant to
27 ~~subsections (7) and (8)~~ SUBSECTION (8) of this section, any monetary

1 gifts, grants, donations, or other payments received by the enterprise, any
2 federal money that may be credited to the fund, and any other money that
3 the general assembly may appropriate or transfer to the fund. The state
4 treasurer shall credit all interest and income derived from the deposit and
5 investment of money in the fund to the fund. Money in the fund is
6 continuously appropriated to the enterprise for the purposes set forth in
7 this article 7.5 and to pay the enterprise's reasonable and necessary
8 operating expenses, including the repayment of any loan received
9 pursuant to subsection (5)(b) of this section.

10 (6) In addition to any other powers and duties specified in this
11 section, the board has the following general powers and duties:

12 (h) To promulgate rules for the sole purpose of setting the
13 ~~amounts~~ AMOUNT of the clean fleet per ride fee and the clean fleet retail
14 delivery fee at or below the maximum ~~amounts~~ AMOUNT authorized in
15 this section; and

16 (7) ~~(a) In furtherance of its business purpose, beginning in state~~
17 ~~fiscal year 2022-23, the enterprise shall impose a clean fleet per ride fee~~
18 ~~to be paid by a transportation network company for each prearranged ride~~
19 ~~requested and accepted through the company's digital network. For the~~
20 ~~purpose of minimizing compliance costs for transportation network~~
21 ~~companies and administrative costs for the state, the department of~~
22 ~~revenue shall collect the clean fleet per ride fee on behalf of the~~
23 ~~enterprise, and a transportation network company shall pay the fee to the~~
24 ~~department of revenue as required by section 40-10.1-607.5 (2). The~~
25 ~~enterprise shall ensure that during the first ten state fiscal years of fee~~
26 ~~collections, expenditures that support transportation network company~~
27 ~~operations equal or exceed cumulative clean fleet per ride fee revenue.~~

1 ~~(b) For prearranged rides requested and accepted during state~~
2 ~~fiscal year 2022-23, the enterprise shall impose the clean fleet per ride fee~~
3 ~~in a maximum amount of:~~

4 ~~(I) Three and three-quarters cents for each prearranged ride that~~
5 ~~is a car share ride or for which the driver transports the rider in a zero~~
6 ~~emissions motor vehicle; and~~

7 ~~(II) Seven and one-half cents for every other prearranged ride.~~

8 ~~(c) (I) Except as otherwise provided in subsection (7)(c)(II) of this~~
9 ~~section, for prearranged rides requested and accepted during state fiscal~~
10 ~~year 2023-24 or during any subsequent state fiscal year, the enterprise~~
11 ~~shall impose the clean fleet per ride fee in a maximum amount that is the~~
12 ~~applicable maximum amount for the prior state fiscal year adjusted for~~
13 ~~inflation. The enterprise shall notify the department of revenue of the~~
14 ~~amount of the clean fleet per ride fee to be collected for rides requested~~
15 ~~and accepted during each state fiscal year no later than March 15 of the~~
16 ~~calendar year in which the state fiscal year begins and the department of~~
17 ~~revenue shall publish the amount no later than April 15 of the calendar~~
18 ~~year in which the state fiscal year begins.~~

19 ~~(II) The enterprise is authorized to adjust the amount of the clean~~
20 ~~fleet per ride fee for prearranged rides requested and accepted during a~~
21 ~~state fiscal year only if the rate of inflation is positive and cumulative~~
22 ~~inflation from the time of the last adjustment in the amount of the fee,~~
23 ~~when applied to the sum of the current clean fleet per ride fee and the~~
24 ~~current air pollution mitigation per ride fee imposed as required by~~
25 ~~section 43-4-1303 (7) and rounded to the nearest whole cent, will result~~
26 ~~in an increase of at least one whole cent in the total amount of the clean~~
27 ~~fleet per ride fee and the air pollution mitigation per ride fee paid by a~~

1 ~~person who requests and accepts a prearranged ride. The amount of~~
2 ~~cumulative inflation to be applied to the sum of the current clean fleet per~~
3 ~~ride fee and the current air pollution mitigation per ride fee and rounded~~
4 ~~to the nearest whole cent is the lesser of actual cumulative inflation or~~
5 ~~five percent.~~

6 (d) ~~As required by section 40-10.1-607.5(3)(a), the department of~~
7 ~~revenue shall transmit all net clean fleet per ride fee revenue collected to~~
8 ~~the state treasurer, who shall credit the revenue to the fund.~~

9 **SECTION 3.** In Colorado Revised Statutes, 30-20-1401, **amend**
10 **(2)(a); and repeal (1)(d), (1)(e), (1)(f), (1)(g), (1)(h), (1)(i), and (1)(j) as**
11 **follows:**

12 **30-20-1401. Legislative declaration - rules - enforcement -**
13 **recyclable material.** (1) The general assembly finds and declares that:

14 (d) ~~It is in the state's interest to provide for the recovery, recycling,~~
15 ~~reuse, and management of waste tires through a government-run~~
16 ~~enterprise;~~

17 (e) ~~Providing statewide waste tire recycling, beneficial reuse, and~~
18 ~~management constitutes a valuable service and benefit, and a waste tire~~
19 ~~management enterprise would provide useful business services to tire~~
20 ~~retailers, automobile dealers, automobile repair shops, service stations,~~
21 ~~automotive fleet centers, waste tire haulers, waste tire collection facilities,~~
22 ~~waste tire processors, recycling and waste facilities, landfills, consumers,~~
23 ~~and all residents of Colorado;~~

24 (f) ~~The waste tire management enterprise will aid in the proper~~
25 ~~management of waste tires by providing financial incentives and rebates~~
26 ~~for the recycling of waste tires into end-use tire-derived products, which~~
27 ~~financial incentives and rebates directly compensate people who properly~~

1 dispose of or recycle waste tires, provide fee payers more convenient
2 waste tire and disposal options, increase the production of tire-derived
3 products, and positively impact human health and safety and the
4 environment;

5 (g) It is necessary, appropriate, and in the best interest of the state
6 to acknowledge that, by providing the business services specified in this
7 part 14, the enterprise engages in an activity conducted in the pursuit of
8 a benefit, gain, or livelihood and therefore operates as a business;

9 (h) Consistent with the determination of the Colorado supreme
10 court in *Nicholl v. E-470 Public Highway Authority*, 896 P.2d 859 (Colo.
11 1995), that the power to impose taxes is inconsistent with enterprise status
12 under section 20 of article X of the state constitution, it is the conclusion
13 of the general assembly that the waste tire enterprise fee collected by the
14 enterprise is a fee, not a tax, because the fee is imposed for the specific
15 purpose of allowing the enterprise to defray the costs of providing the
16 business services specified in sections 30-20-1404 and 30-20-1405 to
17 consumers who ultimately pay the enterprise fee, which enterprise fee is
18 imposed at rates that are reasonably calculated based on the cost of
19 providing the services needed by those consumers;

20 (i) So long as the enterprise qualifies as an enterprise for the
21 purposes of section 20 of article X of the state constitution, the revenue
22 from the waste tire enterprise fee collected by the enterprise is not state
23 fiscal year spending, as defined in section 24-77-102 (17), or state
24 revenues, as defined in section 24-77-103.6 (6)(c), and does not count
25 against either the state fiscal year spending limit imposed by section 20
26 of article X of the state constitution or the excess state revenues cap, as
27 defined in section 24-77-103.6 (6)(b)(I); and

1 (j) ~~The enterprise created in this part 14 is necessary to continue~~
2 ~~Colorado's management of waste tires and provide incentives to local~~
3 ~~governments; for-profit waste tire management, recycling, and reuse~~
4 ~~companies; and other organizations that are involved in waste tire~~
5 ~~recycling, beneficial reuse, and management.~~

6 (2) (a) ~~The commission in consultation with the enterprise;~~ shall
7 promulgate rules for the implementation and enforcement of sections
8 30-20-1403, 30-20-1404, and 30-20-1405, as applicable.

9 **SECTION 4.** In Colorado Revised Statutes, 30-20-1402, **repeal**
10 (1.7), (4.5), and (14.5) as follows:

11 **30-20-1402. Definitions.** As used in this part 14, unless the
12 context otherwise requires:

13 (1.7) ~~"Board of directors" or "board" means the board of directors~~
14 ~~of the enterprise.~~

15 (4.5) ~~"Enterprise" means the waste tire management enterprise~~
16 ~~created in section 30-20-1403.~~

17 (14.5) ~~"Waste tire enterprise fee" or "enterprise fee" means money~~
18 ~~collected pursuant to section 30-20-1403 (2.5)(a).~~

19 **SECTION 5.** In Colorado Revised Statutes, 30-20-1403, **amend**
20 (2.5)(b)(III), (2.5)(c)(I), and (2.5)(c)(II); and **repeal** (1.5), (2.5)(a),
21 (2.5)(c)(III), and (3)(a) as follows:

22 **30-20-1403. Waste tire recycling, beneficial reuse, and**
23 **management - waste tire fees - distribution - rules - repeal.**

24 (1.5) **Enterprise.** (a) (I) ~~There is created in the department the waste tire~~
25 ~~management enterprise. The enterprise is and operates as a~~
26 ~~government-owned business within the department to collect the waste~~
27 ~~tire enterprise fee charged by retailers of new tires pursuant to subsection~~

1 ~~(2.5) of this section and to use the waste tire enterprise fee to promote~~
2 ~~waste tire recycling, beneficial reuse, and management strategies in~~
3 ~~Colorado.~~

4 ~~(II) The enterprise is and operates as a government-owned~~
5 ~~business within the department for the purpose of conducting the business~~
6 ~~activities specified in this section. The enterprise is a **type 1** entity, as~~
7 ~~defined in section 24-1-105, and exercises its powers and performs its~~
8 ~~duties and functions under the department.~~

9 ~~(III) The enterprise constitutes an enterprise for purposes of~~
10 ~~section 20 of article X of the state constitution so long as it retains the~~
11 ~~authority to issue revenue bonds and receives less than ten percent of its~~
12 ~~total revenues in grants from all Colorado state and local governments~~
13 ~~combined. So long as it constitutes an enterprise pursuant to this~~
14 ~~subsection (1.5)(a), the enterprise is not subject to section 20 of article X~~
15 ~~of the state constitution.~~

16 ~~(b) The enterprise's primary powers and duties are to:~~

17 ~~(I) Collect the waste tire enterprise fee;~~

18 ~~(II) Promote waste tire recycling, beneficial reuse, and~~
19 ~~management strategies throughout Colorado;~~

20 ~~(III) Issue revenue bonds payable from the revenues of the~~
21 ~~enterprise to promote the waste tire recycling, beneficial reuse, and~~
22 ~~management strategies specified in this section;~~

23 ~~(IV) Publish each year, on the department's website and as~~
24 ~~otherwise deemed appropriate by the board, the waste tire recycling,~~
25 ~~beneficial reuse, and management strategies that the board has prioritized~~
26 ~~through the collection of the waste tire enterprise fee;~~

27 ~~(V) Adopt, amend, or repeal policies for the regulation of the~~

1 enterprise's affairs and the conduct of the enterprise's business consistent
2 with this part 14;

3 ~~(VI)(A) Contract with any public or private entity, including state~~
4 ~~agencies, consultants, and the attorney general's office, for professional~~
5 ~~and technical assistance, office space and administrative services, advice,~~
6 ~~and other services related to the conduct of the affairs of the enterprise.~~
7 ~~The board shall encourage diversity in applicants for contracts and shall~~
8 ~~generally avoid using single-source bids.~~

9 ~~(B) The enterprise shall pay a fair market rate to any public entity,~~
10 ~~private entity, contractor, or consultant, which may include a state agency,~~
11 ~~the attorney general's office, or the department, that is hired by the~~
12 ~~enterprise to perform duties pursuant to this subsection (1.5)(b).~~

13 ~~(VII) Prepare and submit an annual financial report pursuant to~~
14 ~~subsection (1.5)(i) of this section.~~

15 ~~(c) The enterprise is governed by a board of directors. The board~~
16 ~~consists of the following nine members:~~

17 ~~(I) Two members appointed by the executive director of the~~
18 ~~department to represent the department, including one with expertise in~~
19 ~~sustainability and one with expertise in compliance;~~

20 ~~(II) One member appointed by the executive director of the~~
21 ~~department who represents a county that has experience with the~~
22 ~~management of waste tires; and~~

23 ~~(III) Six members appointed by the executive director of the~~
24 ~~department who are representatives of nonprofit and for-profit entities~~
25 ~~engaged in the recovery, recycling, reuse, and management of waste tires,~~
26 ~~including a tire retailer, a waste tire collection facility, a waste tire~~
27 ~~processor, and a waste tire hauler. To the extent practicable, the~~

1 ~~representation of nonprofit and for-profit entities must be balanced~~
2 ~~equally.~~

3 ~~(d) Of the members appointed to the board of directors pursuant~~
4 ~~to subsection (1.5)(c)(III) of this section, at least one member must do~~
5 ~~business in a rural county in the state.~~

6 ~~(e)(I) The member representing the department who has expertise~~
7 ~~in sustainability and is appointed pursuant to subsection (1.5)(c)(I) of this~~
8 ~~section shall call the first meeting of the board.~~

9 ~~(II) The board shall elect a chair from among its members to serve~~
10 ~~for a term not to exceed two years.~~

11 ~~(III) The board shall meet quarterly, and the chair of the board~~
12 ~~may call additional meetings as necessary for the board to complete its~~
13 ~~duties.~~

14 ~~(IV) The term of office for a board member is three years; except~~
15 ~~that four of the six members appointed pursuant to subsection (1.5)(c)(III)~~
16 ~~of this section serve initial terms of two years. A board member may~~
17 ~~serve unlimited terms.~~

18 ~~(f)(I) A member of the board of directors, except for members~~
19 ~~appointed pursuant to subsections (1.5)(c)(I) and (1.5)(c)(II) of this~~
20 ~~section, may receive a per diem stipend while on official enterprise~~
21 ~~business.~~

22 ~~(II) The per diem stipend shall be at least equal to the Colorado~~
23 ~~state employee per diem for intra-state travel as established by the~~
24 ~~department of personnel.~~

25 ~~(III) All members of the board of directors may receive~~
26 ~~reimbursement for actual and necessary expenses incurred while on~~
27 ~~official enterprise business.~~

1 ~~(IV) The enterprise may use money in the waste tire management~~
2 ~~enterprise fund, created in section 30-20-1404, to pay the per diem~~
3 ~~stipend to a board member and to reimburse a board member for actual~~
4 ~~and necessary expenses incurred as part of the enterprise's operating~~
5 ~~expenses.~~

6 ~~(g) The department shall provide office space and administrative~~
7 ~~staff to the enterprise, if requested by the board. In accordance with~~
8 ~~subsection (1.5)(b)(VI)(B) of this section, the enterprise shall pay the~~
9 ~~department a fair market rate for any office space or administrative staff~~
10 ~~used by the board in performance of the enterprise's duties.~~

11 ~~(h) (I) The department may transfer money from any legally~~
12 ~~available source to the enterprise for the purpose of defraying expenses~~
13 ~~incurred by the enterprise before it receives fee revenue. The enterprise~~
14 ~~may accept and expend any money so transferred, and, notwithstanding~~
15 ~~any state fiscal rule or generally accepted accounting principle that could~~
16 ~~otherwise be interpreted to require a contrary conclusion, such a transfer~~
17 ~~is a loan from the department to the enterprise that is required to be repaid~~
18 ~~and is not a grant for purposes of section 20 (2)(d) of article X of the state~~
19 ~~constitution or as defined in section 24-77-102 (7).~~

20 ~~(H) All money transferred as a loan to the enterprise must be~~
21 ~~credited to the waste tire administration, enforcement, market~~
22 ~~development, and cleanup fund, created in section 30-20-1404 (1)(a).~~
23 ~~Loan liabilities that are recorded in the waste tire administration,~~
24 ~~enforcement, market development, and cleanup fund but that are not~~
25 ~~required to be paid in the current state fiscal year shall not be considered~~
26 ~~when calculating sufficient statutory fund balance for purposes of section~~
27 ~~24-75-109.~~

1 ~~(HH) As the enterprise receives sufficient revenue in excess of~~
2 ~~expenses, it shall reimburse the department for the principal amount of~~
3 ~~any loan made by the department, plus interest at a rate agreed upon by~~
4 ~~the department and the enterprise.~~

5 ~~(i) (I) On or before June 30, 2026, and every June 30 of each year~~
6 ~~thereafter, the enterprise shall prepare and submit an annual financial~~
7 ~~report to legislative council staff and the joint budget committee of the~~
8 ~~general assembly.~~

9 ~~(H) The financial report prepared by the enterprise pursuant to~~
10 ~~subsection (1.5)(i)(I) of this section must include the enterprise's~~
11 ~~projected revenue and expenditures and proposed budget for the~~
12 ~~following fiscal year.~~

13 ~~(HH) The enterprise shall post a copy of the enterprise's financial~~
14 ~~report on the enterprise's public website.~~

15 **(2.5) Waste tire administration fee.** ~~(a) (I) Effective July 1,~~
16 ~~2025, retailers of new motor vehicle tires and new trailer tires shall~~
17 ~~collect a waste tire enterprise fee in an amount to be set by the enterprise,~~
18 ~~in coordination with the commission. The waste tire enterprise fee~~
19 ~~amount must not exceed two dollars and fifty cents on the sale of each~~
20 ~~new tire. The maximum per tire enterprise fee amount may be adjusted by~~
21 ~~the enterprise every two years in accordance with any annual percentage~~
22 ~~change in the United States department of labor's bureau of labor statistics~~
23 ~~consumer price index for the Denver-Aurora-Lakewood metropolitan area~~
24 ~~for all items paid by all urban consumers, or its applicable successor~~
25 ~~index.~~

26 ~~(H) Effective July 1, 2025, the board of directors may review the~~
27 ~~waste tire enterprise fee on an annual basis and, in accordance with the~~

1 fee amount limit set forth in subsection ~~(2.5)(a)(I)~~ of this section, adjust
2 the waste tire fee amount so that the waste tire enterprise fee is imposed
3 in an amount that is:

4 (A) ~~Reasonably related to the direct and indirect costs of operating~~
5 ~~the enterprise in accordance with this part 14 and the services provided~~
6 ~~by the enterprise, which costs must not exceed the equivalent of one-half~~
7 ~~of the waste tire enterprise fee collected for each new tire sold pursuant~~
8 ~~to this subsection (2.5);~~

9 (B) ~~Sufficient to pay costs associated with providing rebates as~~
10 ~~described in section 30-20-1405; and~~

11 (C) ~~Sufficient to provide grants to eligible entities pursuant to the~~
12 ~~waste tire management grant program established in section 30-20-1418.~~

13 (b) (III) The waste tire administration fee amount must BE AT
14 LEAST FIFTY CENTS AND MUST not exceed ~~half of the amount of the waste~~
15 ~~tire enterprise fee~~ ONE DOLLAR AND TWENTY-FIVE CENTS; except that the
16 ~~minimum amount of the waste tire administration fee on the sale of each~~
17 ~~new tire must be fifty cents or more~~ COMMISSION, IN COORDINATION WITH
18 THE DEPARTMENT, MAY ADJUST THE ADMINISTRATION FEE EVERY TWO
19 YEARS IN ACCORDANCE WITH ANY ANNUAL PERCENTAGE CHANGE IN THE
20 UNITED STATES DEPARTMENT OF LABOR'S BUREAU OF LABOR STATISTICS
21 CONSUMER PRICE INDEX FOR THE DENVER-AURORA-LAKEWOOD
22 METROPOLITAN AREA FOR ALL ITEMS PAID BY ALL URBAN CONSUMERS, OR
23 ITS APPLICABLE SUCCESSOR INDEX.

24 (c) (I) On and after July 1, 2025, retailers of new motor vehicle
25 tires and new trailer tires shall collect ~~both the enterprise fee and the~~
26 ~~administration fee~~ from the consumer at the point of sale.

27 (II) The receipt from the retailer to the consumer for every new

1 motor vehicle tire or new trailer tire purchased must contain the following
2 statement in the largest bold-faced type capable based on point-of-sale
3 software and on existing invoice printers, not to exceed fifteen points:
4 **"Section 30-20-1403, Colorado Revised Statutes, requires retailers to**
5 **collect a waste tire enterprise fee set by the waste tire management**
6 **enterprise, which is a government-owned business within the**
7 **department of public health and environment, and a waste tire**
8 **administration fee set by the solid and hazardous waste commission**
9 **on the sale of each new motor vehicle tire and each new trailer tire."**

10 (III) The retailer shall submit to the enterprise by the twentieth day
11 of each quarter of each calendar year the enterprise fee collected pursuant
12 to this section in the preceding quarter of the calendar year, together with
13 any report required by the enterprise. The enterprise shall transmit the
14 enterprise fees to the state treasurer, who shall credit them in accordance
15 with subsection (3)(a) of this section or as specified in rules promulgated
16 by the commission.

17 (3) (a) ~~Beginning on July 1, 2025, the state treasurer shall~~
18 ~~distribute the revenue from the waste tire enterprise fee assessed in~~
19 ~~subsection (2.5)(a) of this section as follows:~~

20 (I) ~~The portion of the enterprise fee collected to cover the costs~~
21 ~~described in subsection (2.5)(a)(II)(A) of this section to the waste tire~~
22 ~~management enterprise fund created in section 30-20-1404;~~

23 (II) ~~The portion of the enterprise fee collected to cover the costs~~
24 ~~described in subsection (2.5)(a)(II)(B) of this section to the end users~~
25 ~~fund created in section 30-20-1405;~~

26 (III) ~~All interest earned on the investment of money in the waste~~
27 ~~tire management enterprise fund to the waste tire management enterprise~~

1 ~~fund. Any unexpended and unencumbered money in the waste tire~~
2 ~~management enterprise fund at the end of any fiscal year shall remain in~~
3 ~~the waste tire management enterprise fund.~~

4 ~~(IV) All interest earned on the investment of money in the end~~
5 ~~users fund to the end users fund. Any unexpended and unencumbered~~
6 ~~money in the end users fund at the end of any fiscal year shall remain in~~
7 ~~the end users fund.~~

8 **SECTION 6.** In Colorado Revised Statutes, **repeal** 30-20-1404
9 as follows:

10 **30-20-1404. Waste tire management enterprise fund - creation**
11 **- rules.** (1) (a) ~~There is created in the state treasury the waste tire~~
12 ~~management enterprise fund, referred to in this section as the "fund",~~
13 ~~consisting of the fee revenue credited pursuant to section 30-20-1403~~
14 ~~(2.5)(a) and any other money appropriated or transferred to it. Money~~
15 ~~credited to the fund is continuously appropriated to the enterprise for the~~
16 ~~purposes set forth in this section and to pay the enterprise's reasonable~~
17 ~~and necessary operating expenses.~~

18 ~~(b) The state treasurer shall credit all interest earned on the~~
19 ~~investment of money in the fund to the fund. Any unexpended and~~
20 ~~unencumbered money in the fund at the end of any fiscal year shall~~
21 ~~remain in the fund.~~

22 ~~(2) The enterprise may, in consultation with the department, use~~
23 ~~the money in the fund for:~~

24 ~~(a) Collecting the waste tire enterprise fee assessed in section~~
25 ~~30-20-1403 (2.5)(a);~~

26 ~~(b) (I) Inspecting retailers to determine whether all fees are being~~
27 ~~collected;~~

1 ~~(H) This subsection (2)(b) is repealed, effective July 1, 2025.~~

2 ~~(c) (I) Enforcing the requirements of this part 14 pursuant to~~
3 ~~existing authority, including sections 30-20-113 and 30-20-114;~~

4 ~~(H) This subsection (2)(c) is repealed, effective July 1, 2025.~~

5 ~~(d) (I) Developing a system to address the receipt by registered~~
6 ~~persons of unmanifested waste tires from unregistered haulers;~~

7 ~~(H) This subsection (2)(d) is repealed, effective July 1, 2025.~~

8 ~~(e) Repealed.~~

9 ~~(f) Hiring a contractor to clean up waste tires and tire-derived~~
10 ~~product that have been illegally disposed of or have been disposed of at~~
11 ~~a landfill pursuant to section 30-20-1009 (2) and funding a grant program~~
12 ~~to reimburse local governing authorities for cleaning up waste tires and~~
13 ~~tire-derived products that have been illegally disposed of or have been~~
14 ~~disposed of at a landfill pursuant to section 30-20-1009 (2);~~

15 ~~(g) Financing one-time or occasional community cleanup events~~
16 ~~where waste tires are accepted for drop-off by persons not engaged in~~
17 ~~commercial or industrial activity and where, at the conclusion of the~~
18 ~~event, the waste tires are either picked up by a registered waste tire hauler~~
19 ~~or transported to a registered waste tire hauler or to any registered facility;~~

20 ~~(h) Training and hiring contractors to provide training in the~~
21 ~~implementation of this part 14;~~

22 ~~(i) (I) Providing grants to law enforcement, fire departments, local~~
23 ~~health departments, state agencies, and any other applicable entities for~~
24 ~~purchasing equipment and supplies to implement this part 14;~~

25 ~~(H) This subsection (2)(i) is repealed, effective July 1, 2025.~~

26 ~~(j) (I) Training of and enforcement by entities that enforce this~~
27 ~~part 14;~~

- 1 ~~(H) This subsection (2)(j) is repealed, effective July 1, 2025.~~
- 2 ~~(k) (I) Awarding grants and developing educational programs for~~
3 ~~enforcement, fire prevention and suppression, proper waste tire~~
4 ~~management and disposal, training, and customer technical assistance;~~
- 5 ~~(H) This subsection (2)(k) is repealed, effective July 1, 2025.~~
- 6 ~~(l) (I) Maintaining an online complaint form and processes for law~~
7 ~~enforcement, fire departments, and citizens to report potential waste tire~~
8 ~~violations;~~
- 9 ~~(H) This subsection (2)(l) is repealed, effective July 1, 2025.~~
- 10 ~~(m) and (n) Repealed.~~
- 11 ~~(o) Encouraging waste tire market development;~~
- 12 ~~(p) Reimbursing the division of fire prevention and control in the~~
13 ~~department of public safety for:~~
- 14 ~~(I) Inspections of facilities where waste tires are present~~
15 ~~conducted by the division to determine whether the waste tire collection~~
16 ~~facilities, waste tire processors, and waste tire monofills are in~~
17 ~~compliance with the rules promulgated by the director of the division~~
18 ~~pursuant to section 24-33.5-1203.5 (2); and~~
- 19 ~~(H) Technical and other assistance the division provides to the~~
20 ~~department or the public related to waste tires, including assistance~~
21 ~~related to:~~
- 22 ~~(A) The development of fire prevention education materials; and~~
- 23 ~~(B) Review of fire prevention plans.~~
- 24 ~~(H) This subsection (2)(p) is repealed, effective July 1, 2025.~~
- 25 ~~(q) The payment of any bonds issued pursuant to section~~
26 ~~30-20-1403 (1.5)(b);~~
- 27 ~~(r) Reimbursement of any contractors used for cleanup and~~

1 remediation activities engaged in pursuant to subsections (2)(f) and (2)(g)
2 of this section;

3 (s) ~~The payment of per diem and the reimbursement of actual and~~
4 ~~necessary expenses for board members while on official enterprise~~
5 ~~business;~~

6 (t) ~~Funding grants in accordance with the waste tire management~~
7 ~~grant program established in section 30-20-1418; and~~

8 (u) ~~Any other activity necessary to implement section 30-20-1403,~~
9 ~~as determined by the board of directors.~~

10 (3) (a) ~~If the department is denied access or if consent to access~~
11 ~~has not been given to clean up a site where the department reasonably~~
12 ~~believes waste tires exist illegally, the department may obtain from the~~
13 ~~district court for the judicial district in which the property is located a~~
14 ~~warrant to enter the property and remove the waste tires.~~

15 (b) ~~This subsection (3) is repealed, effective July 1, 2025.~~

16 (4) (a) ~~In addition to any penalties assessed, the department may~~
17 ~~issue an order requiring the owner or operator to compensate the~~
18 ~~department for the cost of remediation of the site, and the department may~~
19 ~~request the attorney general to bring suit for compensation from the~~
20 ~~owner or operator for money expended remediating the site. The~~
21 ~~department shall use the recovered moneys to reimburse the fund for~~
22 ~~actual costs of remediating the site and of seeking compensation pursuant~~
23 ~~to this section. The state treasurer shall credit all additional moneys to the~~
24 ~~general fund.~~

25 (b) ~~The department may place a lien on a property on which the~~
26 ~~department funds the remediation of waste tires pursuant to this section~~
27 ~~until the costs of remediation have been repaid to the department. If~~

1 complete repayment has not been made before a sale of the property, the
2 department shall be repaid in full, to the extent possible, from proceeds
3 of the sale.

4 (c) This subsection (4) is repealed, effective July 1, 2025.

5 (5) (a) In providing assistance pursuant to this section, the
6 enterprise shall give primary consideration to protection of public health
7 and the environment.

8 (b) In awarding contracts for services pursuant to this section, the
9 enterprise may give preferential bidding treatment to individuals or
10 entities that will recycle, pursuant to rules of the department concerning
11 recycling, and reuse, rather than dispose of, the waste tires.

12 (6) The enterprise shall, either itself or through a contractor, create
13 a priority abatement list of illegal waste tire disposal sites.

14 (7) The enterprise, in coordination with the department and the
15 department of transportation, shall systematically investigate and research
16 the use of tire-derived aggregates in technically feasible and economically
17 viable civil applications associated with the department of transportation's
18 roadway mission. The department shall include any findings regarding
19 tire-derived aggregates, as appropriate, in the department's annual report
20 to the general assembly.

21 (8) (a) Notwithstanding any other provision of this section, on
22 June 30, 2020, the state treasurer shall transfer five million three hundred
23 seventy-two thousand four hundred fifteen dollars from the fund to the
24 general fund.

25 (b) This subsection (8) is repealed, effective July 1, 2025.

26 **SECTION 7.** In Colorado Revised Statutes, 30-20-1405, **amend**
27 (1)(a), (1)(b), (2)(a) introductory portion, (3), (4)(a), (4)(b) introductory

1 portion, (5) introductory portion, (5)(c), (5)(e) introductory portion, (6)
2 introductory portion, (6)(b)(II), (7), (8) introductory portion, and (9) as
3 follows:

4 **30-20-1405. End users fund - creation - quarterly rebates -**
5 **rules - repeal.** (1) (a) There is created in the state treasury the end users
6 fund, referred to in this section as the "fund", consisting of ~~the fee~~
7 ~~revenue credited pursuant to section 30-20-1403 (3)(a)(H)~~ ANY MONEY
8 THAT THE GENERAL ASSEMBLY MAY APPROPRIATE OR TRANSFER TO THE
9 FUND.

10 (b) The state treasurer shall credit all interest and any other return
11 on the investment of money in the fund to the fund. Money credited to the
12 fund is continuously appropriated to the ~~enterprise~~ DEPARTMENT for the
13 purposes set forth in this section.

14 (2) (a) The ~~enterprise, in consultation with the~~ department shall
15 use the money in the fund to provide quarterly rebates to in-state:

16 (3) The rebate is subject to the following conditions:

17 (a) The ~~enterprise~~ DEPARTMENT shall pay the rebate amount
18 quarterly, on a per-ton basis; and

19 (b) Once the ~~enterprise~~ DEPARTMENT has paid a rebate on a
20 particular quantity of tire-derived product, every part of that particular
21 quantity of tire-derived product is no longer eligible for payment of the
22 rebate.

23 (4) (a) The ~~enterprise~~ DEPARTMENT, in consultation with the
24 commission, shall annually set the amount of the rebate, on a per-ton
25 basis, and the ~~enterprise~~ DEPARTMENT shall pay the set rebate amount for
26 each ton of qualified tire-derived product. The ~~enterprise~~ DEPARTMENT
27 shall calculate the rebate to equal, but not exceed, the amount of the

1 anticipated income transferred into the fund during each succeeding
2 twelve-month period.

3 (b) Each year, the ~~enterprise~~ DEPARTMENT shall continue to
4 provide the rebate in accordance with the tiered structure set forth in
5 subsection (5)(e) of this section until:

6 (5) The commission shall promulgate rules governing
7 administration of the rebate. On and after the effective date of this
8 section, as amended, the commission shall consult with the ~~enterprise~~
9 DEPARTMENT in adopting rules governing administration of the rebate.
10 The commission's rules must include the following:

11 (c) If the balance of the fund is anticipated to be insufficient to
12 pay out all of the rebates applied for, a requirement that the ~~enterprise~~
13 DEPARTMENT:

14 (I) Alternative daily cover must verify with the ~~enterprise~~
15 DEPARTMENT that the alternative daily cover meets all specification
16 standards for all type-B tire-derived aggregate, as established by the
17 ASTM standard D6270; and

18 (II) Tire-derived aggregate must verify with the ~~enterprise~~
19 DEPARTMENT that the tire-derived aggregate meets all specification
20 standards for all type-A and type-B tire-derived aggregate, as established
21 by the ASTM standard D6270; and

22 (e) Three tiers of rebate amounts that the ~~enterprise~~ DEPARTMENT
23 may pay out based on the amount of the waste tire that was used and
24 destroyed as follows:

25 (6) The ~~enterprise~~ DEPARTMENT:

26 (b) May deny:

27 (II) All future rebates pursuant to this section ~~and grants of money~~

1 ~~from the waste tire management enterprise fund created in section~~
2 ~~30-20-1404~~ to an applicant that knowingly or intentionally provides false
3 information to the ~~enterprise~~ DEPARTMENT when applying for a rebate. ~~or~~
4 ~~for a grant of money from the waste tire management enterprise fund~~

5 (7) Waste tires obtained from rural counties are eligible for an
6 additional rebate amount of twenty-five dollars per ton; however, the
7 additional rebate amount must not exceed the rebate amount for tier 3
8 rebates as determined by rule pursuant to subsection (5)(e)(III) of this
9 section. To qualify for the additional rebate amount set forth in this
10 subsection (7), an end user must provide evidence to the ~~enterprise~~
11 DEPARTMENT documenting the county of origin for each waste tire.

12 (8) The ~~enterprise~~ DEPARTMENT shall require that an end user
13 submit an application for a rebate that contains self-certifications
14 provided by the end user regarding:

15 (9) (a) On or after January 1, 2026, and until December 31, 2041,
16 the ~~enterprise~~ DEPARTMENT may issue rebates applied for pursuant to this
17 section.

18 (b) The commission, in consultation with the ~~enterprise~~
19 DEPARTMENT, shall repeal any rules concerning the fund and
20 implementation of this section once the ~~enterprise~~ DEPARTMENT has
21 issued the final rebates pursuant to subsection (9)(a) of this section.

22 **SECTION 8.** In Colorado Revised Statutes, **repeal** 30-20-1418
23 as follows:

24 **30-20-1418. Waste tire management grant program -**
25 **definitions - repeal.** ~~(1) As used in this section, unless the context~~
26 ~~otherwise requires:~~

27 ~~(a) "Eligible entity" means the following entities that provide~~

1 services related to waste tire recycling, beneficial reuse, and management
2 in Colorado:

3 ~~(I) Municipalities, counties, and cities and counties;~~

4 ~~(II) Nonprofit and for-profit businesses involved in waste tire
5 recycling, beneficial reuse, and management; and~~

6 ~~(III) Institutions of higher education and public or private schools.~~

7 ~~(b) "Grant program" means the waste tire management grant
8 program created in this section.~~

9 ~~(2) (a) There is created the waste time management grant
10 program, which shall be administered by the enterprise.~~

11 ~~(b) The enterprise shall, subject to available appropriations and
12 revenues, award grants from the waste tire management enterprise fund,
13 created in section 30-20-1404, in accordance with this section.~~

14 ~~(3) (a) The purpose of the grant program is to:~~

15 ~~(I) Promote the development of waste tire recycling, beneficial
16 reuse, and management strategies in accordance with this part 14;~~

17 ~~(II) Develop waste tire recycling, beneficial reuse, and
18 management facilities and infrastructure; and~~

19 ~~(III) Expand waste tire recycling, beneficial reuse, and
20 management services to fee payers.~~

21 ~~(b) The grant program is intended to provide economic and
22 technical assistance to eligible entities in their efforts related to the
23 recycling, beneficial reuse, and management of waste tires.~~

24 ~~(4) (a) An eligible entity may submit an application to the
25 enterprise for a grant pursuant to the application policies and procedures
26 established by the board.~~

27 ~~(b) At a minimum, an application submitted to the board must~~

1 include the following information:

2 ~~(I) An application narrative that describes how the eligible entity~~
3 ~~will use the grant, including how the grant will promote the recycling,~~
4 ~~beneficial reuse, and management of waste tires;~~

5 ~~(II) An estimate of the cost of the equipment, infrastructure, or~~
6 ~~project the eligible entity is intending to fund with the grant and whether~~
7 ~~the equipment, infrastructure, or project meets the requirements specified~~
8 ~~in subsection (5) of this section;~~

9 ~~(III) The amount of in-kind contributions or matching funds, if~~
10 ~~any, to the project budget from the applicant or other sources outside of~~
11 ~~the grant; and~~

12 ~~(IV) Whether there is local community support for the grant~~
13 ~~application.~~

14 ~~(5) (a) The board may award grants to eligible entities for the~~
15 ~~following purposes:~~

16 ~~(I) The purchase of waste tire recycling, beneficial reuse, and~~
17 ~~management equipment or infrastructure;~~

18 ~~(II) Staffing of waste tire recycling, beneficial reuse, and~~
19 ~~management facilities;~~

20 ~~(III) Marketing and communications for waste tire recycling,~~
21 ~~beneficial reuse, and management services;~~

22 ~~(IV) Policy and research development related to waste tire~~
23 ~~recycling, beneficial reuse, and management strategies;~~

24 ~~(V) Community engagement regarding waste tire recycling,~~
25 ~~beneficial reuse, and management; and~~

26 ~~(VI) Other projects or uses as determined by the board.~~

27 ~~(b) (I) The board may award grants to an eligible entity for the~~

1 purchase of equipment or infrastructure, but no more than fifty percent of
2 the cost of any equipment or infrastructure can be funded through the
3 grant program:

4 (H) ~~The board may award grants to an eligible entity that fund one~~
5 ~~hundred percent of the cost of a project that does not involve the purchase~~
6 ~~of equipment or infrastructure.~~

7 (c) ~~In awarding grants to eligible entities, the board is subject to~~
8 ~~the following conditions:~~

9 (I) ~~Up to forty percent of the enterprise's annual grant funding~~
10 ~~may go to a single award; and~~

11 (H) ~~If the board awards a grant to an eligible entity for the~~
12 ~~purchase of infrastructure or equipment, the eligible entity is ineligible to~~
13 ~~receive a grant for the following five years.~~

14 (6) (a) (I) ~~The board shall establish criteria and policies to~~
15 ~~determine which grants to award from the grant applications, which~~
16 ~~criteria and policies it shall make available to applicants.~~

17 (H) ~~The board shall give priority to projects that advance~~
18 ~~sustainable design, production, recoverability, reuse, repair, or recycling~~
19 ~~of waste tires, with the highest priority given to projects that would keep~~
20 ~~waste tire material available for remanufacturing.~~

21 (b) ~~The board shall establish policies for the grant program, which~~
22 ~~must include:~~

23 (I) ~~An application form and application procedures;~~

24 (H) ~~A deadline each year for when grant program applications~~
25 ~~must be submitted;~~

26 (HH) ~~A policy that requires a grant recipient to enter into a grant~~
27 ~~agreement with the board that includes a scope of work and deadlines for~~

- 1 ~~the achievement of that work;~~
- 2 ~~(IV) Criteria for measuring progress of the projects that receive~~
3 ~~funding through the grant program;~~
- 4 ~~(V) A policy that requires annual reporting by grant recipients on~~
5 ~~the progress of the project financed by the grant; and~~
- 6 ~~(VI) A policy regarding a grant recipient's noncompliance with the~~
7 ~~grant agreement entered into by the grant recipient and the board, which~~
8 ~~policy may include a mechanism for the board to convert the grant~~
9 ~~recipient's grant to a loan with interest.~~
- 10 ~~(7) (a) The grant program is funded by the waste tire enterprise~~
11 ~~fee. The board may designate up to ten percent of the revenue generated~~
12 ~~from the enterprise fee to the grant program in any given year.~~
- 13 ~~(b) The board shall not award any grants to eligible entities~~
14 ~~through the grant program after December 31, 2040.~~
- 15 ~~(8) This section is repealed, effective December 31, 2042.~~

16 **SECTION 9.** In Colorado Revised Statutes, 39-21-102, **amend**
17 **(7)** as follows:

18 **39-21-102. Scope.** ~~(7) The provisions of This article 21 apply~~
19 ~~APPLIES to the fees imposed pursuant to part 3 of article 38.5 of title 24~~
20 ~~AND article 7.5 of title 25, and the fees collected pursuant to section~~
21 ~~40-10.1-607.5; but only to the extent that the provisions of this article 21~~
22 ~~are not inconsistent with the provisions of part 3 of article 38.5 of title 24~~
23 ~~and article 7.5 of title 25. and section 40-10.1-607.5~~

24 **SECTION 10.** In Colorado Revised Statutes, 39-21-119.5, **repeal**
25 **(2)(r), (4)(d)(II), and (4)(k)** as follows:

26 **39-21-119.5. Mandatory electronic filing of returns -**
27 **mandatory electronic payment - penalty - waiver - definitions.**

1 (2) Except as provided in subsection (6) of this section, the executive
2 director may, as specified in subsection (3) of this section, require the
3 electronic filing of returns and require the payment of any tax or fee due
4 by electronic funds transfer for the following:

5 (r) ~~Any daily vehicle rental fee report required to be filed and~~
6 ~~payment required to be made pursuant to section 43-4-804 (1)(b)(II);~~

7 (4) Except as provided in subsection (6) of this section, on and
8 after August 2, 2019, electronic filing of returns and the payment of any
9 tax or fee by electronic funds transfer is required for the following:

10 (d) (II) ~~Any road usage fee report or bridge and tunnel impact fee~~
11 ~~report required to be filed with a gasoline or special fuel report pursuant~~
12 ~~to section 43-4-217 (7);~~

13 (k) ~~Any clean fleet per ride fee and air pollution mitigation per~~
14 ~~ride fee return required to be filed and payment required pursuant to~~
15 ~~section 40-10.1-607.5;~~

16 **SECTION 11.** In Colorado Revised Statutes, 39-26-706, **amend**
17 (5) as follows:

18 **39-26-706. Miscellaneous sales and use tax exemptions -**
19 **internet access - refractory materials - precious metal bullion and**
20 **coins.** (5) On and after ~~July 1, 2010~~ JULY 1, 2025, the collection of ~~the~~
21 ~~waste tire~~ ANY fee pursuant to section 30-20-1403, ~~C.R.S.~~, is exempt from
22 taxation under part 1 of this ~~article~~ ARTICLE 26.

23 **SECTION 12.** In Colorado Revised Statutes, 39-27-301, **amend**
24 (1), (4), and (6); and **repeal** (3.3) as follows:

25 **39-27-301. Definitions.** As used in this part 3, unless the context
26 otherwise requires:

27 (1) "Agreement" means a motor fuel tax ~~and fee~~ agreement under

1 this part 3.

2 (3.3) "Fee" means the road usage fee imposed by section ~~43-4-217~~
3 ~~(3) and (4) and the bridge and tunnel impact fee imposed by section~~
4 ~~43-4-805 (5)(g.5).~~

5 (4) "Licensee" means a motor carrier who has been issued a fuel
6 tax license under a motor fuel tax ~~and fee~~ agreement.

7 (6) "Motor fuel" means all fuel subject to ~~fees and subject to tax~~
8 under this article 27.

9 **SECTION 13.** In Colorado Revised Statutes, **repeal**
10 **40-10.1-607.5** as follows:

11 **40-10.1-607.5. Fees - enterprise per ride fees - collection -**
12 **distribution of fee proceeds - enterprise per ride fees fund - rules -**
13 **definitions.** ~~(1) As used in this section, unless the context otherwise~~
14 ~~requires:~~

15 (a) "Air pollution mitigation per ride fee" means the air pollution
16 mitigation per ride fee imposed by the nonattainment area air pollution
17 mitigation enterprise as required by section ~~43-4-1303 (7).~~

18 (b) "Car share ride" means a prearranged ride for which the rider
19 agrees, at the time the rider requests the ride through a digital network, to
20 be transported with another rider who has separately requested a
21 prearranged ride.

22 (c) "Clean fleet per ride fee" means the clean fleet per ride fee
23 imposed by the clean fleet enterprise created in section ~~25-7.5-103 (1)(a)~~
24 as required by section ~~25-7.5-103 (7).~~

25 (d) "Enterprise per ride fees" means ~~the clean fleet per ride fee~~
26 ~~and the air pollution mitigation per ride fee.~~

27 ~~(2) For prearranged rides requested and accepted during state~~

1 ~~fiscal year 2022-23 or any subsequent state fiscal year, each~~
2 ~~transportation network company shall pay to the department of revenue,~~
3 ~~at the time and in the manner prescribed by the department, the enterprise~~
4 ~~per ride fees, which, for the purpose of minimizing compliance costs for~~
5 ~~transportation network companies and administrative costs for the state,~~
6 ~~the department shall collect on behalf of the enterprises.~~

7 (3) ~~The department of revenue shall transmit all net enterprise per~~
8 ~~ride fee revenue to the state treasurer, who shall credit the net revenue as~~
9 ~~follows:~~

10 (a) ~~All net clean fleet per ride fee revenue shall be credited to the~~
11 ~~clean fleet enterprise fund created in section 25-7.5-103 (5); and~~

12 (b) ~~All net air pollution mitigation per ride fee revenue shall be~~
13 ~~credited to the nonattainment area air pollution mitigation enterprise fund~~
14 ~~created in section 43-4-1303 (5).~~

15 (4) ~~When collecting the enterprise per ride fees, the department of~~
16 ~~revenue shall retain an amount that does not exceed the total cost of~~
17 ~~collecting, administering, and enforcing the enterprise per ride fees and~~
18 ~~shall transmit the amount retained to the state treasurer, who shall credit~~
19 ~~it to the enterprise per ride fees fund, which is hereby created in the state~~
20 ~~treasury. All money in the enterprise per ride fees fund is continuously~~
21 ~~appropriated to the department of revenue to defray the costs incurred by~~
22 ~~the department in collecting, enforcing, and administering the enterprise~~
23 ~~per ride fees.~~

24 (5) ~~The collection, administration, and enforcement of the~~
25 ~~enterprise per ride fees collected as required by subsection (2) of this~~
26 ~~section shall be performed by the executive director of the department of~~
27 ~~revenue in the same manner as the collection, administration, and~~

1 ~~enforcement of state taxes pursuant to article 21 of title 39. The~~
2 ~~department of revenue may promulgate rules to implement this section.~~

3 **SECTION 14.** In Colorado Revised Statutes, 43-4-203, **amend**
4 (1)(e) and (1)(f); and **repeal** (1)(g) as follows:

5 **43-4-203. Sources of revenue.** (1) All net revenue from the
6 following sources shall be paid into and credited to the highway users tax
7 fund as soon as it is received:

8 (e) From interest or income earned on the deposit and investment
9 of ~~moneys~~ MONEY in the fund; AND

10 (f) From the imposition of electric motor vehicle road usage
11 equalization fees pursuant to section 42-3-304 (25)(a.5). **and**

12 ~~(g) From the imposition of road usage fees pursuant to section~~
13 ~~43-4-217 (3) and (4).~~

14 **SECTION 15.** In Colorado Revised Statutes, 43-4-205, **amend**
15 (6.8)(a) as follows:

16 **43-4-205. Allocation of fund.** (6.8) (a) Revenue from the electric
17 motor vehicle fee, the electric motor vehicle road usage equalization fee,
18 and the commercial electric motor vehicle fee imposed pursuant to
19 section 42-3-304 (25) that is credited to the highway users tax fund as
20 required by section 42-3-304 (25)(a), (25)(a.5), and (25)(a.7) **and revenue**
21 **from the road usage fees imposed pursuant to section 43-4-217 (3) and (4)**
22 ~~that is credited to the highway users tax fund as required by section~~
23 ~~43-4-217 (8) must be allocated and expended in accordance with the~~
24 formula specified in subsection (6)(b) of this section.

25 **SECTION 16.** In Colorado Revised Statutes, **repeal** 43-4-217 as
26 follows:

27 **43-4-217. Additional funding - road usage fees - rules -**

1 **legislative declaration - definitions.** ~~(1) The general assembly hereby~~
2 ~~finds and declares that:~~

3 ~~(a) State motor fuel excise taxes levied on the purchase of motor~~
4 ~~fuels represent the largest source of state funding for the construction,~~
5 ~~maintenance, and supervision of the highways, roads, and streets of the~~
6 ~~state;~~

7 ~~(b) The amount of motor fuel taxes paid for motor fuel used to~~
8 ~~propel a motor vehicle bears a reasonable relationship to the vehicle's use~~
9 ~~of and impact on the highways, roads, and streets of the state because the~~
10 ~~amount of motor fuel used by a vehicle is in large part a function of the~~
11 ~~amount of miles traveled by the vehicle and the weight of the vehicle;~~

12 ~~(c) Motor fuel tax rates have not been increased in over~~
13 ~~twenty-five years, and motor fuel tax revenue has not kept pace and will~~
14 ~~not keep pace with inflation or the increased transportation infrastructure~~
15 ~~demands of the growing population of the state because:~~

16 ~~(I) The amount of motor fuel tax paid does not depend on the~~
17 ~~price of motor fuel and therefore does not increase when motor fuel~~
18 ~~prices increase but instead depends on the quantity of motor fuel~~
19 ~~purchased, which for most drivers does not increase over time; and~~

20 ~~(II) Motor vehicles have become more fuel-efficient over time;~~

21 ~~(d) It is necessary, appropriate, and in the best interest of the state~~
22 ~~to mitigate the declining purchasing power of motor fuel excise taxes by~~
23 ~~collecting a road usage fee from persons who use the transportation~~
24 ~~system to travel by motor vehicle, basing the amount of the fee on~~
25 ~~reasonable estimates of fee payers' usage of and impact on the system,~~
26 ~~and using fee revenue solely for the construction, maintenance, and~~
27 ~~supervision of the highways of the state;~~

1 ~~(e) Because motor fuel consumption is reasonably related to use~~
2 ~~of and impact on the transportation system, it is fair to fee payers,~~
3 ~~reasonable, and appropriate to calculate the amount of the road usage fee~~
4 ~~based on their motor fuel consumption;~~

5 ~~(f) It is also fair to fee payers, reasonable, and appropriate to~~
6 ~~streamline fee collection by collecting the road usage fee from~~
7 ~~distributors of motor fuels when motor fuel taxes are collected because~~
8 ~~the amount of the fee will be incorporated into the retail price of motor~~
9 ~~fuel and therefore passed on to users of the transportation system in~~
10 ~~precise proportion to their consumption of motor fuel and in reasonable~~
11 ~~relation to their use of and impact on the transportation system; and~~

12 ~~(g) In accordance with numerous Colorado judicial precedents, the~~
13 ~~road usage fee and the bridge and tunnel impact fee imposed as~~
14 ~~authorized by section 43-4-805 (5)(g.5) and collected by the department~~
15 ~~of revenue on behalf of the statewide bridge and tunnel enterprise~~
16 ~~pursuant to this section are fees and are not taxes because:~~

17 ~~(I) The fees are imposed not to raise revenue for general~~
18 ~~governmental purposes but instead are imposed for the sole purpose of~~
19 ~~funding the construction, maintenance, and supervision of the~~
20 ~~transportation system, with a priority placed on projects that are~~
21 ~~designated as ten-year vision projects on the department's ten-year vision~~
22 ~~project list;~~

23 ~~(II) Fee revenue defrays costs incurred by the state in funding~~
24 ~~construction, maintenance, and supervision of the transportation system~~
25 ~~that is necessitated by increased use of the system by the fee payers who~~
26 ~~use motor vehicles on the transportation system; and~~

27 ~~(III) The fees are imposed at rates that are reasonably calculated~~

1 to defray the costs of providing the service, are based on the use and
2 impact on the transportation system by fee payers, and are thus
3 proportional to the benefits received by fee payers.

4 (2) ~~As used in this section:~~

5 (a) ~~"Gasoline" means gasoline, as defined in section 39-27-101~~
6 ~~(12), that is taxed at the rate specified in section 39-27-102 (1)(a)(H)(A).~~

7 (b) ~~"Inflation" means the average annual percentage change in the~~
8 ~~United States department of transportation, federal highway~~
9 ~~administration, national highway construction cost index or its applicable~~
10 ~~predecessor or successor index for the five-year period ending on the last~~
11 ~~December 31 before a state fiscal year for which an adjustment to the~~
12 ~~road usage fee imposed pursuant to subsection (3) or (4) of this section~~
13 ~~is to be made begins.~~

14 (c) ~~"Special fuel" means special fuel, as defined in section~~
15 ~~39-27-101 (29), that is taxed at the rate specified in section 39-27-102~~
16 ~~(1)(a)(H)(B). "Special fuel" does not include diesel fuel and kerosene to~~
17 ~~which indelible dye meeting federal regulations is added before or upon~~
18 ~~removal from a terminal so long as such fuel is not used for a taxable~~
19 ~~purpose as described in section 39-27-102.5 (1.5).~~

20 (3) (a) ~~Except as otherwise provided in subsection (6) of this~~
21 ~~section, on and after April 1, 2023, each distributor of gasoline that pays~~
22 ~~the excise tax imposed on gasoline shall also pay, at the same time and in~~
23 ~~the same manner as the excise tax, a road usage fee in the amount~~
24 ~~specified in subsection (3)(b)(I) of this section or annually calculated by~~
25 ~~the department of revenue as required by subsection (3)(b)(II) or~~
26 ~~(3)(b)(III) of this section.~~

27 (b) (I) ~~The amount of the road usage fee for each gallon of~~

1 ~~gasoline acquired, sold, offered for sale, or used in this state from April~~
2 ~~1, 2023, through June 30, 2023, and during state fiscal years 2023-24~~
3 ~~through 2031-32 is:~~

4 ~~(A) Two cents per gallon from April 1, 2023, through June 30,~~
5 ~~2023;~~

6 ~~(B) Three cents per gallon for state fiscal year 2023-24;~~

7 ~~(C) Four cents per gallon for state fiscal year 2024-25;~~

8 ~~(D) Five cents per gallon for state fiscal year 2025-26;~~

9 ~~(E) Six cents per gallon for state fiscal year 2026-27;~~

10 ~~(F) Seven cents per gallon for state fiscal year 2027-28; and~~

11 ~~(G) Eight cents per gallon for state fiscal years 2028-29 through~~
12 ~~2031-32.~~

13 ~~(H) Except as otherwise provided in subsection (3)(b)(III) of this~~
14 ~~section, the amount of the road usage fee for each gallon of gasoline~~
15 ~~acquired, sold, offered for sale, or used in this state during state fiscal~~
16 ~~year 2032-33 or during any subsequent state fiscal year is the sum of:~~

17 ~~(A) The nominal amount of eight cents on December 31, 2030,~~
18 ~~adjusted for inflation; and~~

19 ~~(B) The difference between the nominal amount of twenty-two~~
20 ~~cents on December 31, 2030, adjusted for inflation, and the nominal~~
21 ~~amount of twenty-two cents on December 31, 2030.~~

22 ~~(III) An adjustment for inflation shall be made pursuant to~~
23 ~~subsection (3)(b)(II) of this section only if the rate of inflation is positive~~
24 ~~and must be the lesser of the actual rate of inflation or five percent. The~~
25 ~~department of revenue shall calculate the inflation adjusted amount of the~~
26 ~~road usage fee for state fiscal year 2032-33 and shall publish the amount~~
27 ~~no later than April 15, 2032.~~

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

8 ~~(b) (I) The amount of the road usage fee for each gallon of special~~
9 ~~fuel acquired, sold, offered for sale, or used in this state from April 1,~~
10 ~~2023, through June 30, 2023, and during state fiscal years 2023-24~~
11 ~~through 2031-32 is:~~

12 ~~(A) Two cents per gallon from April 1, 2023, through June 30,~~
13 ~~2023;~~

14 ~~(B) Three cents per gallon for state fiscal year 2023-24;~~

15 ~~(C) Four cents per gallon for state fiscal year 2024-25;~~

16 ~~(D) Five cents per gallon for state fiscal year 2025-26;~~

17 ~~(E) Six cents per gallon for state fiscal year 2026-27;~~

18 ~~(F) Seven cents per gallon for state fiscal year 2027-28; and~~

19 ~~(G) Eight cents per gallon for state fiscal years 2028-29 through~~
20 ~~2031-32.~~

21 ~~(H) Except as otherwise provided in subsection (4)(b)(III) of this~~
22 ~~section, the amount of the road usage fee for each gallon of special fuel~~
23 ~~acquired, sold, offered for sale, or used in this state during state fiscal~~
24 ~~year 2032-33 or during any subsequent state fiscal year is the sum of:~~

25 ~~(A) The nominal amount of eight cents on December 31, 2030,~~
26 ~~adjusted for inflation; and~~

27 ~~(B) The difference between the nominal amount of twenty and~~

1 ~~one-half cents on December 31, 2030, adjusted for inflation, and the~~
2 ~~nominal amount of twenty and one-half cents on December 31, 2030.~~

3 ~~(HH) An adjustment for inflation shall be made pursuant to~~
4 ~~subsection (4)(b)(II) of this section only if the rate of inflation is positive~~
5 ~~and must be the lesser of the actual rate of inflation or five percent. The~~
6 ~~department of revenue shall calculate the inflation adjusted amount of the~~
7 ~~road usage fee for state fiscal year 2032-33 and shall publish the amount~~
8 ~~no later than April 15, 2032.~~

9 ~~(5) Each distributor of special fuel that pays the excise tax~~
10 ~~imposed on special fuel shall also pay, at the same time and in the same~~
11 ~~manner as the excise tax and the road usage fee imposed pursuant to~~
12 ~~subsections (3) and (4) of this section, a bridge and tunnel impact fee in~~
13 ~~the amount imposed by the statewide bridge and tunnel enterprise as~~
14 ~~authorized by section 43-4-805 (5)(g.5). The collection and~~
15 ~~administration of the bridge and tunnel impact fee by the department of~~
16 ~~revenue on behalf of the statewide bridge and tunnel enterprise is done on~~
17 ~~behalf of the enterprise for the purpose of minimizing compliance costs~~
18 ~~for distributors and administrative costs for the state, and all bridge and~~
19 ~~tunnel impact fee revenue is revenue of the enterprise only and is~~
20 ~~excluded from state fiscal year spending, as defined in section 24-77-102~~
21 ~~(17).~~

22 ~~(6) (a) A distributor is not required to pay the road usage fee~~
23 ~~imposed by subsection (3) or (4) of this section or the bridge and tunnel~~
24 ~~impact fee imposed as authorized by section 43-4-805 (5)(g.5), if the~~
25 ~~distributor would otherwise be liable for the excise tax on the gasoline or~~
26 ~~special fuel subject to the fee but is allowed to sell the gasoline or special~~
27 ~~fuel without payment of the applicable excise tax pursuant to section~~

1 39-27-102 (1)(b)(II) or section 39-27-102.5 (2)(b):

2 (b) Gasoline or special fuel removed from a terminal in this state
3 by a person licensed as an exporter pursuant to section 39-27-104
4 exclusively for delivery to another state is not subject to the road usage
5 fee imposed by subsection (3) or (4) of this section or the bridge and
6 tunnel impact fee imposed as authorized by section 43-4-805 (5)(g.5):

7 (c) The burden of proving that gasoline or special fuel is not
8 subject to the road usage fee imposed by subsection (3) or (4) of this
9 section or the bridge and tunnel impact fee imposed as authorized by
10 section 43-4-805 (5)(g.5) is on the distributor under such reasonable
11 requirements of proof as the executive director of the department of
12 revenue may prescribe:

13 (7) The collection, administration, and enforcement of the road
14 usage fees imposed by subsection (3) or (4) of this section and the bridge
15 and tunnel impact fee imposed as authorized by section 43-4-805 (5)(g.5)
16 shall be performed by the executive director of the department of revenue
17 in the same manner as the collection, administration, and enforcement of
18 state gasoline and special fuel taxes pursuant to article 27 of title 39. A
19 distributor who pays the road usage fee as required by subsection (3) or
20 (4) of this section shall remit the fee, together with any bridge and tunnel
21 impact fee that the distributor also pays as required by section 43-4-805
22 (5)(g.5) and subsection (5) of this section, to the department of revenue
23 at the same time and in the same manner in which the distributor remits
24 gasoline or special fuel taxes collected by the distributor as required by
25 article 27 of title 39. The department of revenue may promulgate rules to
26 implement this section:

27 (8) In accordance with section 43-4-203 (1)(f), the state treasurer

1 shall credit all road usage fee revenue collected as required by this section
2 to the highway users tax fund created in section 43-4-201. In accordance
3 with section 43-4-805 (5)(g.5), the state treasurer shall credit all bridge
4 and tunnel impact fee revenue collected as required by this section to the
5 statewide bridge and tunnel enterprise special revenue fund created in
6 section 43-4-805 (3)(a). All fees credited to the highway users tax fund
7 pursuant to this section shall be allocated from the highway users tax fund
8 to the state, counties, and municipalities as required by section 43-4-205
9 (6.8).

10 **SECTION 17.** In Colorado Revised Statutes, 43-4-802, **amend**
11 (2)(c) and (2)(d) as follows:

12 **43-4-802. Legislative declaration.** (2) The general assembly
13 further finds and declares that:

14 (c) Increasing funding for designated bridge projects, preventative
15 maintenance bridge projects, tunnel projects, and road safety projects in
16 the short- and medium-term through the imposition of bridge and road
17 safety surcharges ~~a bridge and tunnel impact fee~~, and other new fees at
18 rates reasonably calculated based on the benefits received by the persons
19 paying the fees will not only provide funding to complete the projects but
20 will also accelerate the state's economic recovery by increasing bridge,
21 tunnel, and road construction, repair, reconstruction, and maintenance
22 activity, as well as related economic activity, and by employing
23 significant numbers of Coloradans;

24 (d) The creation of a statewide bridge and tunnel enterprise
25 authorized to complete designated bridge projects, preventative
26 maintenance bridge projects, and tunnel projects, to impose a bridge
27 safety surcharge ~~and a bridge and tunnel impact fee~~ and issue revenue

1 bonds, and, if required approvals are obtained, to contract with the state
2 to receive one or more loans of money received by the state under the
3 terms of one or more financed purchase of an asset or certificate of
4 participation agreements authorized by this part 8 and to use the revenues
5 generated by the bridge safety surcharge ~~and the bridge and tunnel impact~~
6 ~~fee~~ to repay any such loan or loans, will improve the safety and efficiency
7 of the state transportation system by allowing the state to accelerate the
8 repair, reconstruction, and replacement of structurally deficient,
9 functionally obsolete, and rated as poor bridges, to perform preventative
10 maintenance on bridges rated as fair and good, and to repair, maintain,
11 and more safely operate tunnels;

12 **SECTION 18.** In Colorado Revised Statutes, 43-4-804, **repeal**
13 (1)(b) as follows:

14 **43-4-804. Highway safety projects - surcharges and fees -**
15 **crediting of money to highway users tax fund - definition.** (1) The
16 following surcharges, fees, and fines shall be collected and credited to the
17 highway users tax fund created in section 43-4-201 (1)(a) and allocated
18 to the state highway fund, counties, and municipalities as specified in
19 section 43-4-205 (6.3):

20 (b) ~~(I)(A) Except as otherwise provided in subsections (1)(b)(III)~~
21 ~~and (1)(b)(IV) of this section, a daily vehicle rental fee is imposed on all~~
22 ~~short-term vehicle rentals at the rate of two dollars per day; except that a~~
23 ~~subsequent renewal of a short-term vehicle rental is exempt from the fee~~
24 ~~to the extent that the renewal extends the total rental period beyond thirty~~
25 ~~days. The rental invoice shall list the daily vehicle rental fee separately as~~
26 ~~a Colorado road safety program fee. On and after July 1, 2022, a car~~
27 ~~sharing program, as defined in section 6-1-1202 (4), shall collect the daily~~

1 vehicle rental fee for any short-term vehicle rental of twenty-four hours
2 or longer that is enabled by the car sharing program.

3 ~~(B) As used in this subsection (1)(b), "short-term vehicle rental"~~
4 ~~means the rental of any motor vehicle, as defined in section 42-1-102~~
5 ~~(58), with a gross vehicle weight rating of twenty-six thousand pounds or~~
6 ~~less that is rented within Colorado for a period of not more than thirty~~
7 ~~days.~~

8 ~~(H) A person who collects the daily vehicle rental fee imposed by~~
9 ~~subsection (1)(b)(I) of this section and who pays specific ownership tax~~
10 ~~on the vehicles rented in the manner specified in either section 42-3-107~~
11 ~~(11) or (12), or both, shall, no later than the twentieth day of each month,~~
12 ~~submit to the department of revenue a report, using forms furnished by~~
13 ~~the department of revenue, of daily vehicle rental fees collected for the~~
14 ~~preceding month and shall include with the report the remittance of all~~
15 ~~such fees. A person who collects the daily vehicle rental fee imposed by~~
16 ~~subsection (1)(b)(I) of this section but does not pay specific ownership~~
17 ~~tax on the vehicles in the manner specified in either section 42-3-107 (11)~~
18 ~~or (12), or both, shall submit the report and the remittance of fees~~
19 ~~collected in the same manner or in such other manner as the executive~~
20 ~~director of the department of revenue may prescribe by rules promulgated~~
21 ~~in accordance with article 4 of title 24. The executive director of the~~
22 ~~department of revenue shall forward all daily vehicle rental fees collected,~~
23 ~~together with all congestion impact fees imposed by the transportation~~
24 ~~enterprise pursuant to section 43-4-806 (7.6) collected, to the state~~
25 ~~treasurer and shall identify the amounts of each fee being forwarded. The~~
26 ~~state treasurer shall credit the daily vehicle rental fees imposed pursuant~~
27 ~~to subsection (1)(b)(I)(A) of this section to the highway users tax fund~~

1 and shall credit the congestion impact fees imposed by the transportation
2 enterprise pursuant to section 43-4-806 (7.6) to the transportation special
3 fund as required by section 43-4-806 (7.6)(b).

4 ~~(H) Because vehicle sharing is an alternative to personal vehicle~~
5 ~~ownership that reduces the number of vehicle miles traveled on the~~
6 ~~highways of the state by encouraging the use of transit and reducing the~~
7 ~~number of trips made in privately owned vehicles and thereby benefits the~~
8 ~~state by reducing traffic congestion, greenhouse gas emissions, and the~~
9 ~~amount of wear and tear on the highways, the daily vehicle rental fee~~
10 ~~imposed pursuant to this paragraph (b) shall not be imposed on any~~
11 ~~vehicle rented pursuant to a vehicle sharing arrangement if:~~

12 ~~(A) Under the terms of the arrangement, an organization provides~~
13 ~~passenger vehicles for the use of members of the organization who have~~
14 ~~paid a membership fee to the organization and charges an additional fee~~
15 ~~for each use of a passenger vehicle;~~

16 ~~(B) A member of the organization is not required to enter into a~~
17 ~~separate written agreement with the organization each time the member~~
18 ~~reserves and uses a passenger vehicle;~~

19 ~~(C) The average paid usage period for all passenger vehicles~~
20 ~~provided by the organization during the prior calendar year was six hours~~
21 ~~or less;~~

22 ~~(D) At least three-quarters of all passenger vehicle rentals made~~
23 ~~by the organization during the prior calendar year in each municipality or~~
24 ~~county in which the organization does business were made to members~~
25 ~~of the organization who maintain a residence within the city or county;~~

26 ~~(E) Fuel and full insurance coverage are included in the member~~
27 ~~usage rates; and~~

1 (F) Passenger vehicles provided by the organization are stationed
2 in self-serve locations throughout the county or municipality in which the
3 organization does business.

4 (IV) (A) For short-term vehicle rentals beginning during state
5 fiscal year 2022-23 and for short-term vehicle rental periods beginning
6 during any subsequent state fiscal year, the department of revenue shall
7 annually adjust the amount of the daily vehicle rental fee for inflation.
8 The department of revenue shall calculate the inflation adjusted amount
9 of the short-term vehicle rental fee for each state fiscal year and shall
10 publish the amount no later than the May 1 of the calendar year in which
11 the state fiscal year begins.

12 (B) As used in this subsection (1)(b)(IV), "inflation" means the
13 average annual percentage change in the United States department of
14 labor, bureau of labor statistics, consumer price index for
15 Denver-Aurora-Lakewood for all items and all urban consumers, or its
16 applicable predecessor or successor index, for the five years ending on the
17 last December 31 before a state fiscal year for which an inflation
18 adjustment to the short-term vehicle rental fee is to be made begins.

19 **SECTION 19.** In Colorado Revised Statutes, 43-4-805, **amend**
20 (1)(b)(II), (2)(b)(I), (2)(c), (3)(a), (5)(r)(I), and (5)(r)(III)(A); and **repeal**
21 (5)(g)(III) and (5)(g.5) as follows:

22 **43-4-805. Statewide bridge enterprise - creation - board -**
23 **funds - powers and duties - legislative declaration - definitions.**

24 (1) The general assembly hereby finds and declares that:

25 (b) Due to the limited availability of state and federal funding and
26 the need to accomplish the financing, repair, reconstruction, and
27 replacement of designated bridges; the completion of preventative

1 maintenance bridge projects; and the completion of tunnel projects as
2 promptly and efficiently as possible, it is necessary to create a statewide
3 bridge and tunnel enterprise and to authorize the enterprise to:

4 (II) Impose a bridge safety surcharge ~~a bridge and tunnel impact~~
5 ~~fee~~, and a bridge and tunnel retail delivery fee at rates reasonably
6 calculated to defray the costs of completing designated bridge projects,
7 preventative maintenance bridge projects, and tunnel projects and
8 distribute the burden of defraying the costs in a manner based on the
9 benefits received by persons paying the fees and using designated bridges
10 and tunnels and receiving retail deliveries, receive and expend revenue
11 generated by the surcharge and ~~fees~~ FEE and other money, issue revenue
12 bonds and other obligations, contract with the state, if required approvals
13 are obtained, to receive one or more loans of money received by the state
14 under the terms of one or more financed purchase of an asset or certificate
15 of participation agreements authorized by this part 8, expend revenue
16 generated by the surcharge AND FEE to repay any such loan or loans
17 received, and exercise other powers necessary and appropriate to carry
18 out its purposes; and

19 (2) (b) The business purpose of the bridge enterprise is to finance,
20 repair, reconstruct, and replace any designated bridge in the state,
21 complete preventative maintenance bridge projects, and complete tunnel
22 projects and, as agreed upon by the enterprise and the commission, or the
23 department to the extent authorized by the commission, to maintain the
24 bridges it finances, repairs, reconstructs, and replaces. To allow the
25 bridge enterprise to accomplish this purpose and fully exercise its powers
26 and duties through the bridge enterprise board, the bridge enterprise may:

27 (I) Impose a bridge safety surcharge ~~a bridge and tunnel impact~~

1 fee, and a bridge and tunnel retail delivery fee as authorized by
2 subsections (5)(g) ~~(5)(g.5)~~, and (5)(g.7) of this section;

3 (c) The bridge enterprise constitutes an enterprise for purposes of
4 section 20 of article X of the state constitution so long as it retains the
5 authority to issue revenue bonds and receives less than ten percent of its
6 total revenues in grants from all Colorado state and local governments
7 combined. So long as it constitutes an enterprise pursuant to this
8 subsection (2)(c), the bridge enterprise shall not be subject to any
9 provisions of section 20 of article X of the state constitution. Consistent
10 with the determination of the Colorado supreme court in *Nicholl v. E-470*
11 *Public Highway Authority*, 896 P.2d 859 (Colo. 1995), that the power to
12 impose taxes is inconsistent with "enterprise" status under section 20 of
13 article X of the state constitution, the general assembly finds and declares
14 that a bridge safety surcharge ~~a bridge and tunnel impact fee~~, or a bridge
15 and tunnel retail delivery fee imposed by the bridge enterprise as
16 authorized by subsection (5)(g) ~~(5)(g.5)~~, or (5)(g.7) of this section is not
17 a tax but is instead a fee imposed by the bridge enterprise to defray the
18 cost of completing designated bridge projects, preventative maintenance
19 bridge projects, and tunnel projects that the enterprise provides as a
20 specific service to the persons upon whom the fee is imposed and at rates
21 reasonably calculated based on the benefits received by such persons.

22 (3) (a) The statewide bridge and tunnel enterprise special revenue
23 fund, referred to in this part 8 as the "bridge special fund", is hereby
24 created in the state treasury. All revenue received by the bridge enterprise,
25 including, but not limited to, revenue from a bridge safety surcharge
26 imposed as authorized by subsection (5)(g) of this section, ~~revenue from~~
27 ~~a bridge and tunnel impact fee imposed as authorized by subsection~~

1 ~~(5)(g.5)~~ of this section, revenue from a bridge and tunnel retail delivery
2 fee imposed as authorized by subsection (5)(g.7) of this section, and any
3 money loaned to the enterprise by the state pursuant to subsection (5)(r)
4 of this section, shall be deposited into the bridge special fund. The bridge
5 enterprise board may establish separate accounts within the bridge special
6 fund as needed in connection with any specific designated bridge project,
7 preventative maintenance bridge project, or tunnel project. The bridge
8 enterprise also may deposit or permit others to deposit other money into
9 the bridge special fund, but in no event may revenue from any tax
10 otherwise available for general purposes be deposited into the bridge
11 special fund. The state treasurer, after consulting with the bridge
12 enterprise board, shall invest any money in the bridge special fund,
13 including any surplus or reserves, but excluding any proceeds from the
14 sale of bonds or earnings on such proceeds invested pursuant to section
15 43-4-807 (2), that are not needed for immediate use. Such money may be
16 invested in the types of investments authorized in sections 24-36-109,
17 24-36-112, and 24-36-113.

18 (5) In addition to any other powers and duties specified in this
19 section, the bridge enterprise board has the following powers and duties:

20 (g) (III) ~~The bridge safety surcharge shall not be imposed on any~~
21 ~~rental vehicle on which a daily vehicle rental fee is imposed pursuant to~~
22 ~~section 43-4-804 (1)(b).~~

23 (g.5) (I) ~~In furtherance of its business purpose, to impose a bridge~~
24 ~~and tunnel impact fee to be paid in the amount imposed by the bridge~~
25 ~~enterprise as authorized by subsection (5)(g.5)(II) or (5)(g.5)(III) of this~~
26 ~~section by each distributor of special fuel, as defined in section 43-4-217~~
27 ~~(2)(c), that pays the excise tax imposed on special fuel pursuant to article~~

1 ~~27 of title 39, at the same time and in the same manner as the excise tax~~
2 ~~and the road usage fee imposed pursuant to section 43-4-217 (3) and (4).~~
3 ~~For the purpose of minimizing compliance costs for distributors and~~
4 ~~administrative costs for the state, the department of revenue shall collect~~
5 ~~and administer the bridge and tunnel impact fee on behalf of the bridge~~
6 ~~enterprise in the same manner in which it collects and administers the~~
7 ~~excise tax and the road usage fee imposed pursuant to section 43-4-217~~
8 ~~(3) and (4).~~

9 (H) ~~For each gallon of special fuel acquired, sold, offered for sale,~~
10 ~~or used in this state during state fiscal years 2022-23 through 2031-32, the~~
11 ~~bridge enterprise shall impose the bridge and tunnel impact fee in an~~
12 ~~amount of up to:~~

- 13 (A) ~~Two cents per gallon for state fiscal year 2022-23;~~
- 14 (B) ~~Three cents per gallon for state fiscal year 2023-24;~~
- 15 (C) ~~Four cents per gallon for state fiscal year 2024-25;~~
- 16 (D) ~~Five cents per gallon for state fiscal year 2025-26;~~
- 17 (E) ~~Six cents per gallon for state fiscal year 2026-27;~~
- 18 (F) ~~Seven cents per gallon for state fiscal year 2027-28; and~~
- 19 (G) ~~Eight cents per gallon for state fiscal years 2028-29 through~~
20 ~~2031-32.~~

21 (H) ~~For each gallon of special fuel acquired, sold, offered for~~
22 ~~sale, or used in this state during state fiscal year 2032-33 or during any~~
23 ~~subsequent state fiscal year, the bridge enterprise shall impose the bridge~~
24 ~~and tunnel impact fee in an amount of up to the maximum amount of the~~
25 ~~fee for the prior state fiscal year adjusted for inflation. The bridge~~
26 ~~enterprise shall notify the department of revenue of the amount of the~~
27 ~~bridge and tunnel impact fee to be collected for each state fiscal year no~~

1 later than March 15 of the calendar year in which the state fiscal year
2 begins, and the department of revenue shall publish the amount no later
3 than April 15 of the calendar year in which the state fiscal year begins.

4 (IV) ~~As used in this subsection (5)(g.5), "inflation" means the~~
5 ~~average annual percentage change in the United States department of~~
6 ~~transportation, federal highway administration, national highway~~
7 ~~construction cost index or its applicable predecessor or successor index~~
8 ~~for the five-year period ending on the last December 31 before a state~~
9 ~~fiscal year for which an adjustment to the bridge and tunnel impact fee~~
10 ~~imposed as authorized by this subsection (5)(g.5) is to be made begins.~~

11 (r) (I) To contract with the state to borrow money under the terms
12 of one or more loan contracts entered into by the state and the bridge
13 enterprise pursuant to subsection (5)(r)(III) of this section, to expend any
14 money borrowed from the state for the purpose of completing designated
15 bridge projects, preventative maintenance bridge projects, and tunnel
16 projects and for any other authorized purpose that constitutes the
17 construction, supervision, and maintenance of the public highways of this
18 state for purposes of section 18 of article X of the state constitution, and
19 to use revenue generated by any bridge safety surcharge ~~bridge and tunnel~~
20 ~~impact fee~~, or bridge and tunnel retail delivery fee imposed pursuant to
21 subsection (5)(g) ~~(5)(g.5)~~, or (5)(g.7) of this section and any other legally
22 available money of the bridge enterprise to repay the money borrowed
23 and any other amounts payable under the terms of the loan contract.

24 (III) (A) If the state treasurer receives a list from the governor
25 pursuant to subsection (5)(r)(II) of this section, the state, acting by and
26 through the state treasurer, may enter into a loan contract with the bridge
27 enterprise and may raise the money needed to make a loan pursuant to the

1 terms of the loan contract by selling or leasing one or more of the state
2 buildings or other state capital facilities on the list. The state treasurer
3 shall have sole discretion to enter into a loan contract on behalf of the
4 state and to determine the amount of a loan; except that the principal
5 amount of a loan shall not exceed the maximum amount specified by the
6 governor pursuant to subsection (5)(r)(II) of this section. The state
7 treasurer shall also have sole discretion to determine the timing of the
8 entry of the state into any loan contract or the sale or lease of one or more
9 state buildings or other state capital facilities. The loan contract shall
10 require the bridge enterprise to pledge to the state all or a portion of the
11 revenues of any bridge safety surcharge ~~bridge and tunnel impact fee~~, or
12 bridge and tunnel retail delivery fee imposed pursuant to subsection (5)(g)
13 ~~(5)(g.5)~~, or (5)(g.7) of this section for the repayment of the loan and may
14 also require the bridge enterprise to pledge to the state any other legally
15 available revenue of the bridge enterprise. Any loan contract entered into
16 by the state, acting by and through the state treasurer, and the bridge
17 enterprise pursuant to this subsection (5)(r)(III)(A) and any pledge of
18 revenue by the bridge enterprise pursuant to such a loan contract shall be
19 only for the benefit of, and enforceable only by, the state and the bridge
20 enterprise. Specifically, but without limiting the generality of said
21 limitation, no such loan contract or pledge shall be for the benefit of, or
22 enforceable by, a seller under a financed purchase of an asset or
23 certificate of participation agreement entered into pursuant to this
24 subsection (5)(r)(III), an owner of any instrument evidencing rights to
25 receive rentals or other payments made and to be made under such a
26 financed purchase of an asset or certificate of participation agreement as
27 authorized by subsection (5)(r)(IV)(B) of this section, a party to any

1 ancillary agreement or instrument entered into pursuant to subsection
2 (5)(r)(V) of this section, or a party to any interest rate exchange
3 agreement entered into pursuant to subsection (5)(r)(VII)(A) of this
4 section.

5 **SECTION 20.** In Colorado Revised Statutes, 43-4-806, **amend**
6 (7.6)(b) as follows:

7 **43-4-806. High-performance transportation enterprise -**
8 **creation - enterprise status - board - funds - powers and duties - user**
9 **fees - limitations - reporting requirements - violations on the peak**
10 **period shoulder lanes - legislative declaration - definitions.**

11 (7.6) (b) The congestion impact fee must be collected, submitted to the
12 department of revenue, administered by the department of revenue, and
13 forwarded by the department of revenue to the state treasurer in the same
14 manner in which the daily vehicle rental fee THAT WAS imposed pursuant
15 to ~~section 43-4-804 (1)(b)(I)(A)~~ is SECTION 43-4-804 (1)(b) BEFORE THE
16 REPEAL OF SAID SECTION 43-4-804 (1)(b) BY THIS SENATE BILL 25-____,
17 ENACTED IN 2025, WAS collected, submitted, administered, and forwarded
18 pursuant to section 43-4-804 (1)(b)(II) ~~The department of revenue, when~~
19 ~~forwarding the congestion impact fee to the state treasurer, with the daily~~
20 ~~vehicle rental fee imposed pursuant to section 43-4-804 (1)(b)(I)(A), shall~~
21 ~~identify the amounts of each fee being forwarded, and AS SAID~~
22 ~~SUBSECTION EXISTED PRIOR TO ITS REPEAL BY THIS SENATE BILL 25-____,~~
23 ENACTED IN 2025. The state treasurer shall credit all congestion impact
24 fees to the transportation special fund. ~~Any vehicle rented pursuant to a~~
25 ~~vehicle sharing arrangement that is exempt, pursuant to section 43-4-804~~
26 ~~(1)(b)(III), from the daily vehicle rental fee imposed pursuant to section~~
27 ~~43-4-804 (1)(b)(I)(A) is also exempt from the congestion impact fee.~~

1 **SECTION 21.** In Colorado Revised Statutes, 43-4-1301, **amend**
2 (1)(a), (1)(c), (2)(a), and (2)(c) as follows:

3 **43-4-1301. Legislative declaration.** (1) The general assembly
4 hereby finds and declares that:

5 (a) Rapid and continuing growth in retail deliveries made by
6 motor vehicles ~~and in prearranged rides arranged through transportation~~
7 ~~network companies~~ has increased and will continue to increase traffic
8 congestion and air pollution from motor vehicle emissions, along with the
9 adverse environmental and health impacts that result from such pollution,
10 in nonattainment areas, including but not limited to disproportionately
11 impacted communities and communities adjacent to highways;

12 (c) Instead of reducing the impacts of retail deliveries ~~and~~
13 ~~prearranged rides arranged through transportation network companies~~, by
14 limiting retail delivery ~~and prearranged ride~~ activity through regulation,
15 it is more appropriate to continue to allow persons who receive retail
16 deliveries and benefit from the convenience afforded by unfettered retail
17 deliveries ~~and to allow transportation network companies that arrange~~
18 ~~prearranged rides~~ to continue to ~~provide~~ RECEIVE that service without
19 undue restrictions and to instead impose a small fee on each retail
20 delivery and prearranged ride and use fee revenue to fund necessary
21 mitigation activities.

22 (2) The general assembly further finds and declares that:

23 (a) The enterprise provides impact remediation services when, in
24 exchange for the payment of ~~air pollution mitigation per ride fees by~~
25 ~~transportation network companies~~ and air pollution mitigation retail
26 delivery fees by or on behalf of purchasers of tangible personal property
27 for retail delivery, it acts as authorized by this section to mitigate the

1 impacts of ~~prearranged rides arranged through transportation network~~
2 ~~companies and~~ residential and commercial deliveries on the state's
3 transportation infrastructure, air quality, and emissions;

4 (c) Consistent with the determination of the Colorado supreme
5 court in *Nicholl v. E-470 Public Highway Authority*, 896 P.2d 859 (Colo.
6 1995), that the power to impose taxes is inconsistent with enterprise status
7 under section 20 of article X of the state constitution, it is the conclusion
8 of the general assembly that the revenue collected by the enterprise is
9 generated by fees, not taxes, because ~~the air pollution mitigation per ride~~
10 ~~fee and~~ the air pollution mitigation retail delivery fee imposed by the
11 enterprise as authorized by section 43-4-1303 ~~are~~ IS:

12 (I) Imposed for the specific purpose of allowing the enterprise to
13 defray the costs of providing the remediation services specified in this
14 section, including mitigating impacts to air quality and greenhouse gas
15 emissions caused by the activities on which the ~~fees are~~ FEE IS assessed,
16 and ~~contribute~~ CONTRIBUTES to the implementation of the comprehensive
17 regulatory scheme required for the planning, funding, development,
18 construction, maintenance, and supervision of a sustainable transportation
19 system; and

20 (II) Collected at ~~rates that are~~ A RATE THAT IS reasonably
21 calculated based on the impacts caused by fee payers and the cost of
22 remediating those impacts; and

23 **SECTION 22.** In Colorado Revised Statutes, 43-4-1302, **amend**
24 (15); and **repeal** (4), (18), (22), (24), and (25) as follows:

25 **43-4-1302. Definitions.** As used in this part 13, unless the context
26 otherwise requires:

27 (4) "~~Car share ride~~" means a ~~prearranged ride for which the rider~~

1 agrees, at the time the rider requests the ride through a digital network, to
2 be transported with another rider who has separately requested a
3 prearranged ride regardless of whether or not another rider is actually
4 transported with the rider.

5 (15) "Inflation" means the average annual percentage change in
6 the United States department of labor, bureau of labor statistics, consumer
7 price index for Denver-Aurora-Lakewood for all items and all urban
8 consumers, or its applicable predecessor or successor index, for the five
9 years ending on the last December 31 before a state fiscal year for which
10 an inflation adjustment to be made to the air pollution mitigation per ride
11 fee imposed by section 43-4-1303 (7) or the air pollution mitigation retail
12 delivery fee imposed by section 43-4-1303 (8) begins.

13 (18) "Prearranged ride" has the same meaning as set forth in
14 section 40-10.1-602 (2).

15 (22) "Rider" has the same meaning as set forth in section
16 40-10.1-602 (5).

17 (24) "Transportation network company" has the same meaning as
18 set forth in section 40-10.1-602 (3).

19 (25) "Zero emissions motor vehicle" means a battery electric
20 motor vehicle or a hydrogen fuel cell motor vehicle.

21 **SECTION 23.** In Colorado Revised Statutes, 43-4-1303, **amend**
22 (3) introductory portion, (3)(a), (5)(a), (6)(h), and (9); and **repeal** (7) as
23 follows:

24 **43-4-1303. Nonattainment area air pollution mitigation**
25 **enterprise - creation - board - powers and duties - rules - fees - grants**
26 **- reformulated gasoline cost stabilization program - fund.** (3) The
27 business purpose of the enterprise is to mitigate the environmental and

1 health impacts of increased air pollution from motor vehicle emissions in
2 nonattainment areas that results from the rapid and continuing growth in
3 retail deliveries made by motor vehicles ~~and in prearranged rides~~
4 ~~provided by transportation network companies~~ by providing funding for
5 eligible projects that reduce traffic, including demand management
6 projects that encourage alternatives to driving alone or that directly
7 reduce air pollution, such as retrofitting of construction equipment,
8 construction of roadside vegetation barriers, and planting trees along
9 medians. To allow the enterprise to accomplish this purpose and fully
10 exercise its powers and duties through the board, the enterprise may:

11 (a) ~~Impose an air pollution mitigation per ride fee and an air~~
12 ~~pollution mitigation retail delivery fee as authorized by subsections (7)~~
13 ~~and (8) SUBSECTION (8) of this section;~~

14 (5) (a) The nonattainment area air pollution mitigation enterprise
15 fund is hereby created in the state treasury. The fund consists of ~~air~~
16 ~~pollution mitigation per ride fee revenue and air pollution mitigation retail~~
17 ~~delivery fee revenue credited to the fund pursuant to subsections (7) and~~
18 ~~(8) SUBSECTION (8) of this section, any monetary gifts, grants, donations,~~
19 ~~or other payments received by the enterprise, any federal money that may~~
20 ~~be credited to the fund, and any other money that the general assembly~~
21 ~~may appropriate or transfer to the fund. The state treasurer shall credit all~~
22 ~~interest and income derived from the deposit and investment of money in~~
23 ~~the fund to the fund. Money in the fund is continuously appropriated to~~
24 ~~the enterprise for the purposes set forth in this part 13 and to pay the~~
25 ~~enterprise's reasonable and necessary operating expenses, including the~~
26 ~~repayment of any loan received pursuant to subsection (5)(b) of this~~
27 ~~section.~~

1 (6) In addition to any other powers and duties specified in this
2 section, the board has the following general powers and duties:

3 (h) To promulgate rules for the sole purpose of setting the
4 ~~amounts~~ AMOUNT of ~~the air pollution mitigation per ride fee~~ and the air
5 pollution mitigation retail delivery fee at or below the maximum ~~amounts~~
6 AMOUNT authorized in this section; and

7 (7) ~~(a) In furtherance of its business purpose, beginning in state~~
8 ~~fiscal year 2022-23, the enterprise shall impose an air pollution mitigation~~
9 ~~per ride fee to be paid by a transportation network company for each~~
10 ~~prearranged ride requested and accepted through the company's digital~~
11 ~~network. For the purpose of minimizing compliance costs for~~
12 ~~transportation network companies and administrative costs for the state,~~
13 ~~the department of revenue shall collect the air pollution mitigation per~~
14 ~~ride fee on behalf of the enterprise, and a transportation network company~~
15 ~~shall pay the fee to the department of revenue as required by section~~
16 ~~40-10.1-607.5 (2).~~

17 ~~(b) For prearranged rides requested and accepted during state~~
18 ~~fiscal year 2022-23, the enterprise shall impose the air pollution~~
19 ~~mitigation per ride fee in a maximum amount of:~~

20 ~~(I) Eleven and one-quarter cents for each prearranged ride that is~~
21 ~~a car share ride or for which the driver transports the rider in a zero~~
22 ~~emissions motor vehicle; and~~

23 ~~(II) Twenty-two and one-half cents for every other prearranged~~
24 ~~ride.~~

25 ~~(c) (I) Except as otherwise provided in subsection (7)(c)(II) of this~~
26 ~~section, for prearranged rides requested and accepted during state fiscal~~
27 ~~year 2023-24 or during any subsequent state fiscal year, the enterprise~~

1 shall impose the air pollution mitigation per ride fee in a maximum
2 amount that is the applicable maximum amount for the prior state fiscal
3 year adjusted for inflation. The enterprise shall notify the department of
4 revenue of the amount of the air pollution mitigation per ride fee to be
5 collected for rides requested and accepted during each state fiscal year no
6 later than March 15 of the calendar year in which the state fiscal year
7 begins, and the department of revenue shall publish the amount no later
8 than April 15 of the calendar year in which the state fiscal year begins.

9 (H) The enterprise is authorized to adjust the amount of the air
10 pollution mitigation per ride fee for prearranged rides requested and
11 accepted during a state fiscal year only if the rate of inflation is positive
12 and cumulative inflation from the time of the last adjustment in the
13 amount of the fee, when applied to the sum of the current air pollution
14 mitigation per ride fee and the current clean fleet per ride fee imposed as
15 required by section 25-7.5-103 (7) and rounded to the nearest whole cent,
16 will result in an increase of at least one whole cent in the total amount of
17 the air pollution mitigation per ride fee and the clean fleet per ride fee
18 paid by a person who requests and accepts a prearranged ride. The
19 amount of cumulative inflation to be applied to the sum of the current air
20 pollution mitigation per ride fee and the current clean fleet per ride fee
21 and rounded to the nearest whole cent is the lesser of actual cumulative
22 inflation or five percent.

23 (d) As required by section 40-10.1-607.5(3)(a), the department of
24 revenue shall transmit all net air pollution mitigation per ride fee revenue
25 collected to the state treasurer, who shall credit the revenue to the fund.

26 (9) (a) In furtherance of its business purpose, and subject to the
27 requirements set forth in this subsection (9), the enterprise is authorized

1 to provide grants to eligible entities for eligible projects. The enterprise
2 shall actively seek input from communities, including but not limited to
3 disproportionately impacted communities, and local governments to
4 mitigate the environmental and health impacts of highway projects,
5 reduce traffic congestion, and improve neighborhood connectivity for
6 communities adjacent to highways. The enterprise shall include
7 mitigation strategies that take into account the input as well as issues and
8 impacts of particular importance to the state such as reduction of
9 greenhouse gas emissions and fine particulate matter.

10 (b) IN ADDITION TO THE GRANTS PROVIDED TO ELIGIBLE ENTITIES
11 FOR ELIGIBLE PROJECTS, NO LATER THAN JANUARY 1, 2026, THE
12 ENTERPRISE SHALL ESTABLISH A REFORMULATED GASOLINE COST
13 STABILIZATION PROGRAM TO OFFER REFORMULATED GASOLINE COST
14 STABILIZATION REBATES TO INDIVIDUALS WHO OWN MOTOR VEHICLES
15 THAT ARE REGISTERED IN COUNTIES IN WHICH THE FEDERAL GOVERNMENT
16 REQUIRES ALL GASOLINE SOLD TO BE REFORMULATED GASOLINE. FOR
17 EACH STATE FISCAL YEAR, THE ENTERPRISE SHALL DEDICATE AT LEAST
18 TWENTY PERCENT OF ITS ANNUAL FEE REVENUE TO THE COST
19 STABILIZATION PROGRAM; EXCEPT THAT THE ENTERPRISE SHALL DEDICATE
20 TEN PERCENT OF ITS ANNUAL FEE REVENUE FOR THE 2025-26 STATE FISCAL
21 YEAR TO THE PROGRAM. IN ESTABLISHING THE PROGRAM, THE ENTERPRISE
22 SHALL BASE THE PER-GALLON AMOUNT OF EACH COST STABILIZATION
23 REBATE ON THE AMOUNT BY WHICH THE RETAIL PRICE OF A GALLON OF
24 REFORMULATED GASOLINE EXCEEDS THE PRICE OF A GALLON OF GASOLINE
25 THAT IS NOT REFORMULATED AND THE AMOUNT OF MONEY AVAILABLE FOR
26 THE PROGRAM.

27 **SECTION 24. Effective date.** This act takes effect July 1, 2025.

1 **SECTION 25. Safety clause.** The general assembly finds,
2 determines, and declares that this act is necessary for the immediate
3 preservation of the public peace, health, or safety or for appropriations for
4 the support and maintenance of the departments of the state and state
5 institutions.