



## Fiscal Note

### Legislative Council Staff

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## HB 25-1112: LOCAL AUTHORITIES ENFORCE VEHICLE REGISTRATION

**Prime Sponsors:**

Rep. Titone; Hamrick  
Sen. Exum

**Fiscal Analyst:**

Colin Gaiser, 303-866-2677  
colin.gaiser@coleg.gov

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**Fiscal note status:** The revised fiscal note reflects the introduced bill., which was amended by the House Transportation, Housing, and Local Government Committee.

### Summary Information

**Overview.** The bill allows local authorities to enforce vehicle registration requirements and requires courts to waive fees and penalties for certain people for failing to register a vehicle.

**Types of impacts.** The bill is projected to affect the following areas on an ongoing basis:

- State Revenue
- State Expenditures
- Local Government

**Appropriations.** No appropriation is required.

**Table 1**  
**State Fiscal Impacts**

<b>Type of Impact</b>	<b>Budget Year FY 2025-26</b>	<b>Out Year FY 2026-27</b>
State Revenue	\$0	\$0
State Expenditures (Cash Funds)	\$0	\$14,716
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

## Summary of Legislation

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Beginning July 1, 2027, the bill allows local authorities to enforce vehicle registration requirements. For any violations of failing to register a vehicle, the bill requires the Department of Revenue (DOR) to waive penalties, past-due specific ownership taxes, and past-due fees if the person's household had an income below a certain threshold when the violation occurred. The ability to waive penalties repeals January 1, 2028.

A court may dismiss a violation for failing to register a vehicle if the vehicle was unregistered for no more than four months at the time of the violation, the owner registers the vehicle before the first court date, and the owner pays a \$30 administrative dismissal fee. Citation or summons forms must include that disclosure provided in the bill that explains to the vehicle owner how to have their violation dismissed.

The DOR may adopt rules to implement the bill and, beginning January 2028, must present information to the General Assembly on waived past-due fees, past-due specific ownership taxes, and penalties.

## State Revenue

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The bill decreases state revenue by an indeterminate amount from July through December of 2027 in the Highway Users Tax Fund (HUTF), the State Highway Fund, and various cash funds from waivers for penalties and past-due fees, though the Judicial Department will also collect some administrative dismissal fees. Due to uncertainties over how many local governments will enforce vehicle registration requirements, how often they will do so, and how often a waiver will be issued, the fiscal note cannot determine how many waivers the courts will issue. Of the HUTF revenue decreased by the bill, 65 percent of revenue is reduced from the State Highway Fund for expenditure by CDOT, 26 percent is reduced from counties, and 9 percent is reduced from municipalities.

## State Expenditures

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The bill increases state expenditures in the DOR by about \$15,000 in FY 2026-27, paid from the DRIVES Cash Fund. It also affects workload in the DOR and the Judicial Department.

## Department of Revenue

The bill requires \$14,716 for DRIVES programming in FY 2026-27 to create a new waiver for past-due registration fees and specific ownership tax. These programming costs include \$11,308 for 44 hours of programming at a rate of \$257 per hour, plus \$3,408 for ISD development, Office of Information Technology support, and additional testing.

The bill also may increase workload in the DOR to conduct rulemaking to comply with the bill's requirements. This workload can be accomplished within existing resources.

## Judicial Department

The bill increases workload in the trial courts for judicial officers to review fee and penalty waivers to determine indigency, as well as process forms containing any court orders. The department can absorb this workload impact with current resources.

## Local Government

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The bill may increase workload for counties and municipalities that are currently not enforcing vehicle registration if they choose to enforce vehicle registration as a result of the bill. While this may increase revenue from fines and fees, the bill also allows for many of these fines and fees to be waived. For counties and municipalities already enforcing vehicle registration, these waivers may reduce revenue.

## Effective Date

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The bill takes effect July 1, 2027, assuming no referendum petition is filed, and applies to offenses committed on or after the effective date.

## State and Local Government Contacts

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Judicial	Local Affairs
Law	Revenue