

House Transportation, Housing & Local Government

04/01/2025 Upon Adjournment

HB25-1303 Funding for Motor Vehicle Collision Prevention

Typed Text of Testimony Submitted

Name, Position, Representing	Typed Text of Testimony
Isaiah Flores For Conservation Colorado	Testimony in Support of HB25-1303 Tuesday, 4/1/25 House Transportation, Housing & Local Government Committee Thank you Chair and members of the Committee. My name is Isaiah Flores, Front Range Organizer at Conservation Colorado, the state’s largest environmental advocacy organization working to protect Colorado’s air, land, water, and communities and I am testifying in support of HB-1303. As Colorado works to address the challenges of the climate crisis, we must work to lower emissions from the number one source of greenhouse gas emissions in Colorado, the transportation sector. One key strategy is to encourage Coloradans to utilize sustainable transportation options. This will help us cut down on toxic vehicle emissions being released into the air contributing to climate change and help us meet our state’s climate goals. To do this we need to increase alternatives to driving to reduce vehicle miles traveled but this will not work if our streets are not safe. from my work as an organizer, one of, if not the most common reason I hear for why people are hesitant to change their primary form of transportation is fear of being injured or killed by a car. I think that when we are asking Coloradans to change their behavior we need to take steps to ensure that these changes make sense for community members. Further, there are ample climate, air quality, health, traffic, and other community-minded reasons to ensure all pedestrians and cyclists can get around safely and securely. However, our streets currently aren’t safe for all residents living in Colorado. A record number of people in the state are being injured and killed by drivers of cars as they walk and bike through their communities. According to data from CDOT, pedestrian deaths in Colorado have increased 77% since 2018. In 2023 alone, over 131 pedestrians were killed. In 2024 these numbers remained alarmingly high with 72 deaths in the first 9 months of last year. This is an ever-growing critical issue that deeply threatens the safety of Coloradans.

	<p>This bill helps address this by creating the crash prevention enterprise within the CDOT. The Enterprise will provide funding for transportation infrastructure improvements and other projects to reduce the number of collisions between vehicles and vulnerable road users—such as pedestrians or wildlife. The Enterprise would raise millions of dollars for critical transportation projects that benefit drivers, passengers, vulnerable road users, and wildlife. The funds from the Enterprise can be issued to eligible entities – including local governments and Tribes – who will put it to good use and create safer roads for drivers, vulnerable road users, and wildlife alike.</p> <p>We need common sense solutions, like this bill, to fund local projects such as separated bike lanes, pedestrian refuge islands, sidewalk and crossing improvements, and wildlife crossings that are critically important for the safety of all road users in the state, especially those most vulnerable. Furthermore, this vital legislation will also benefit our environment – contributing to both a safer and greener, more sustainable Colorado. For these reasons, I urge you to vote yes and support HB-1303.</p> <p>Thank you,</p> <p>Isaiah Flores Conservation Colorado</p>
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April 1, 2025

Colorado Transportation, Housing & Local Government Committee

Chair, Rep. Meg Froelich

Vice Chair, Rep. Rebekah Stewart

Members: Reps. Barron, Boesenecker, Jackson, Lindsay, Paschal, Phillips, Richardson, Suckla, Valdez, Woodrow and Woog

Sent via email

RE: HB25-1303, Funding for Motor Vehicle Collision Prevention

Position: Oppose

Dear Madam Chair Froelich, Vice-chair Stewart and Committee Members:

NAMIC is a national property/casualty insurance trade association consisting of nearly 1,500 member companies including six of the top 10 property/casualty insurers in the United States. Our member companies collectively write more than \$391 billion in annual premiums and represent significant portions of the homeowners, automobile, and business insurance markets.

NAMIC has a long history of advocacy within a wide array of state highway and safety organizations across the country, including the Insurance Institute for Highway Safety (IIHS), the National Highway Traffic Safety Administration (NHTSA), and the Federal Motor Carrier Safety Administration (FMCSA), to name a few. We have proudly supported these organizations through a combination of both financial support and educational contributions to help lower traffic fatalities and injuries. Fewer collisions also help lower the cost of insurance.

HB25-1303 creates the Crash Prevention Enterprise (CPE) within the Colorado Department of Transportation and the bill's summary claims that the enterprise grant funding will reduce motor vehicle collisions and lower automobile insurance costs.

Beginning January 1, 2026, the enterprise will impose a crash prevention fee on each automobile insurance policy in the state, starting at \$1.75 for the first six months and increasing to \$3.50 annually thereafter, with annual adjustments for inflation. Insurers will be required to collect this fee from policyholders and forward it to the enterprise.

The enterprise will use 80 percent of the collected funds to provide grants for projects reducing collisions between motor vehicles and vulnerable road users (such as pedestrians and bicyclists), and 20 percent for projects reducing wildlife-vehicle collisions. Please note that Colorado only ranks 40th in the nation in the



number of drivers colliding with animals, according to data from State Farm, the nation's largest auto insurer.

If HB25-1303 and HB25-1302, which includes two additional enterprises on hail mitigation and wildfire catastrophe reinsurance, both pass, Colorado would have a total of five enterprises which charge insurance policies to fund these state-owned enterprises.

NAMIC opposes HB25-1303 for three main reasons.

1. Imposing these fees across the automobile insurance industry will only drive up the cost of insurance for the consumer. Furthermore, the proposed bill lacks specificity and offers no insight into how the collected fees would be used to prevent and mitigate future accidents.
2. No evidence exists to support the bill summary's claim that the Crash Prevention Enterprise will, in any meaningful way, both reduce the frequency and severity of collisions between motor vehicles and pedestrians, bicyclists and wildlife and, in turn, lead to lower automobile insurance premiums. This is speculation at best with no data to support the claims. If the Colorado General Assembly deems it in the public interest to fund crash prevention programs, then it should pay for them transparently with general revenue funds.
3. Continuing to overregulate the property casualty industry and expecting lower premiums is a failed strategy that disincentivizes insurers from investing its capital in the Colorado market. The General Assembly would be better served to enact policies that attract capital rather than deter it.

For the reasons above, NAMIC respectfully opposes HB25-1303 as yet another bill to raise the cost of insurance for Colorado consumers.

Sincerely,

Ward Tisdale (wtisdale@namic.org)
NAMIC Regional Vice President – Southwest

April 1, 2025

The Honorable Meg Froelich and
Members of the Committee
House Transportation, Housing & Local Government Committee
Colorado General Assembly
200 E Colfax Avenue
Denver, Colorado 80203

Via Email

RE: HB25-1303, Funding for Motor Vehicle Collision Prevention

Dear Chair Froelich and Members of the Committee:

The American Property Casualty Insurance Association (APCIA)¹ appreciates that opportunity to comment regarding HB25-1303, which would create an enterprise – funded by a fee on automobile insurance policies – for the purpose of reducing the number of collisions between motor vehicles and wildlife or “vulnerable road users” such as pedestrians and cyclists.

APCIA does not see the need for this legislation. A top five property casualty insurer in Colorado offers the following statistics for the past 12 months around frequency of collisions:

- The percentage of people who had a policy with comprehensive coverage and had a claim involving an animal is 0.49%. Of those claims, 86% of them were deer.
- The percentage of people who had a policy with collision coverage and had a claim involving a pedestrian or a person on a bicycle/scooter is 0.05%.
- If this company’s market share is taken and extrapolated to represent the entire insurance industry, this bill will help 0.44% of the entire Colorado population who have insurance.

Protecting vulnerable road users and wildlife are important causes, to be sure. But the likelihood of implementing programs to the degree it would reduce frequency in a meaningful way, to the point where insurers could reduce premiums in a meaningful way, is very low.

APCIA is concerned that insurers are again being put in the position as the tax collectors for the state of Colorado with the creation of another enterprise that is funded by insurance policy holders. We suggest

¹ APCIA is the primary national trade association for home, auto, and business insurers. APCIA promotes and protects the viability of private competition for the benefit of consumers and insurers, with a legacy dating back 150 years. APCIA members represent all sizes, structures, and regions—protecting families, communities, and businesses in the U.S. and across the globe.

you consider that this money comes from a fee that is more effectively tailored to the intended beneficiaries of the proposed enterprise, such as a fee on drivers' licenses or motor vehicle registrations.

Colorado already subjects insurance companies to a disproportionate tax burden compared to other industries. Colorado imposes a 2% premium tax on all insurance policies in the state. The premium tax is imposed on gross premiums, meaning insurers are required to pay the tax regardless of profitability. Colorado collected over \$517 million of premium tax revenue in FY 2022-23.² By way of comparison, the corporate income tax raised \$2.36 billion in the same year.³ This means that the insurance industry alone paid over 21% of the amount of income taxes paid by nearly all other corporations combined. Colorado should spread this tax burden more fairly and not further increase costs to insurers and their consumers.

Insurers have specific concerns with two additional provisions of HB25-1303. First, to configure their systems to begin collection of this new fee (tax), it will take upwards of nine months to do. There is no possible way insurers can meet a deadline of January 1, 2026, to collect the initial fee. Additionally, because there's an annual inflator, companies will be in an almost constant state of reconfiguring their systems to comply with the law. That would be a tremendous administrative burden that also would increase consumers' costs to improve a collision statistic that is less than one-half of one percent of all collisions in Colorado.

APCIA respectfully requests consideration of our concerns about the new auto insurance fees proposed under HB25-1303. Colorado is now one of the costliest states in the nation for auto insurance, whereas only a decade ago it was in the middle of the pack. Continually burdening insurance policy holders with additional fees is a public policy position that the state should reconsider. Thank you for your attention to this important policy matter.

Sincerely,



Lyn D. Elliott
Vice President, State Government Relations – Mountain Region

² <https://leg.colorado.gov/agencies/legislative-council-staff/insurance-premium-tax%C2%A0>

³ <https://leg.colorado.gov/agencies/legislative-council-staff/corporate-income-tax%C2%A0>