Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 25-1112: LOCAL AUTHORITIES ENFORCE VEHICLE REGISTRATION

Prime Sponsors:
Rep. Titone; Hamrick
Sen. Exum; Frizell

Fiscal Analyst:
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Bill Outcome: Signed into Law
Drafting number: LLS 25-0103

Version: Final Fiscal Note
Date: July 1, 2025

Fiscal note status: The final fiscal note reflects the enacted bill.

Summary Information

Overview. The bill allows local authorities to enforce vehicle registration requirements and allows courts to dismiss certain violations for failing to register a vehicle.

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

- State Revenue
- Minimal State Workload
- Local Government

Appropriations. No appropriation is required.

Table 1
State Fiscal Impacts

Type of Impact	Budget Year FY 2025-26	Out Year FY 2026-27
State Revenue (Cash Funds)	-$91,607	-$118,108
State Expenditures	$0	$0
Transferred Funds	$0	$0
Change in TABOR Refunds	-$91,607	-$118,108
Change in State FTE	0.0 FTE	0.0 FTE

Summary of Legislation

The bill allows local authorities to enforce vehicle registration requirements. It also allows a court to 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 if the court is a municipal court. Citation or summons forms must include that disclosure provided in the bill that explains to the vehicle owner how to have their violation dismissed.

State Revenue

The bill decreases revenue in the Judicial Department by an estimated $91,607 in FY 2025-26, $118,108 in FY 2026-2027, and increasing amounts ongoing, credited to various cash funds, including the Highway Users Tax Fund. The fiscal note assumes 1,760 individuals will be eligible to have their violations dismissed and no longer have to pay certain fines, fees, and surcharges. This calculation factors in assumed indigency rates, collection rates, and collections from assessments from prior years.

The HUTF reduction is roughly 50 percent of the decreased revenue, which calculates to $49,005 in FY 2025-26 and $54,450 in FY 2026-27, and increasing amounts ongoing. The State Highway Fund in CDOT receives 65 percent of the HUTF revenues generated through license plate fees, while the rest is distributed to local governments.

State Expenditures

The bill may increase workload in the Judicial Department for trial courts to process forms containing any court orders. Any impact is absorbable with current resources.

Local Government

Vehicle Registration Enforcement

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.

HUTF Revenue

As discussed in the State Revenue section, the bill will decrease local government HUTF revenue. HUTF revenue generated by license plate fees is distributed to counties (26 percent) and municipalities (9 percent) for transportation needs.

Municipal Courts

The bill will increase revenue to municipal courts by an indeterminate amount from vehicle owners who pay the $30 administrative dismissal fee.

TABOR Refunds

The bill is expected to decrease the amount of state revenue required to be refunded to taxpayers by the amounts shown in the State Revenue section above. This estimate assumes the March 2025 LCS revenue forecast. A forecast of state revenue subject to TABOR is not available beyond FY 2026-27. Because TABOR refunds are paid from the General Fund, decreased cash fund revenue will increase the amount of General Fund available to spend or save.

Effective Date

The bill was signed into law by the Governor on June 2, 2026, and takes effect August 6, 2025, assuming no referendum petition is filed.

State and Local Government Contacts

Judicial

Law

Local Affairs

Municipalities

Public Safety

Revenue