CHAPTER 424

MOTOR VEHICLES AND TRAFFIC REGULATION

SENATE BILL 25-258

BY SENATOR(S) Bridges and Kirkmeyer, Amabile, Catlin, Liston, Lundeen, Pelton B.; also REPRESENTATIVE(S) Bird and Sirota, Taggart.

AN ACT

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

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

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

- **43-4-205.** Allocation of fund repeal. (6.3) (a) Revenues from the surcharges, fees, and fines credited to the highway users tax fund pursuant to section 43-4-804 (1) shall MUST be allocated and expended in accordance with the formula specified in paragraph (b) of subsection (6) SUBSECTION (6)(b) of this section.
- (b) (I) Notwithstanding any provision of this subsection (6.3) to the contrary, revenues from the surcharges, fees, and fines credited to the highway users tax fund pursuant to section 43-4-804 (1) for any registration period that begins on or after September 1, 2025, but before September 1, 2027, may be expended only for improvements to highways within the state, including new construction, safety improvements, maintenance, and capacity improvements, and for other transportation-related projects to the extent authorized by law, and may not be expended for administrative purposes. Such revenue is allocated as follows:
- (A) FIFTY-SIX PERCENT OF SUCH REVENUE MUST BE PAID TO THE STATE HIGHWAY FUND AND MUST BE EXPENDED AS PROVIDED IN SECTION 43-4-206;
- (B) TWENTY-FOUR PERCENT OF SUCH REVENUE MUST BE PAID TO THE COUNTY TREASURERS OF THE RESPECTIVE COUNTIES, SUBJECT TO ANNUAL APPROPRIATION

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

BY THE GENERAL ASSEMBLY, AND MUST BE ALLOCATED AND EXPENDED AS PROVIDED IN SECTION 43-4-207; AND

- (C) TWENTY PERCENT OF SUCH REVENUE MUST BE PAID TO THE CITIES AND INCORPORATED TOWNS, SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY, AND MUST BE ALLOCATED AND EXPENDED AS PROVIDED IN SECTION 43-4-208 (2)(b) AND (6)(a).
 - (II) This subsection (6.3)(b) is repealed, effective July 1, 2028.
- **SECTION 2.** In Colorado Revised Statutes, 43-4-804, **amend** (1)(a)(I) introductory portion; and **add** (1)(a)(IX) as follows:
- **43-4-804.** Highway safety projects surcharges and fees crediting of money to highway users tax fund definition. (1) The following surcharges, fees, and fines shall be collected and credited to the highway users tax fund created in section 43-4-201 (1)(a) and allocated to the state highway fund, counties, and municipalities as specified in section 43-4-205 (6.3):
- (a) (I) A road safety surcharge, which, except as otherwise provided in subsections (1)(a)(III) and (1)(a)(VI) of this section, is imposed for any registration period that commences on or after July 1, 2009, upon the registration of any vehicle for which a registration fee must be paid pursuant to part 3 of article 3 of title 42 and is also imposed upon any item of special mobile machinery that is covered by a registration exempt certificate issued by the department of revenue in accordance with section 42-3-107 (16)(g). Except as otherwise provided in subsections $(1)(a)(IV), (1)(a)(V), \frac{1}{and}(1)(a)(VIII), AND (1)(a)(IX) of this section, the amount of the surcharge is:$
- (IX) For any registration period that begins on or after September 1, 2025, but before September 1, 2027, the amount of each road safety surcharge imposed pursuant to subsection (1)(a)(I) of this section is reduced by three dollars and seventy cents.
- **SECTION 3.** Act subject to petition effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2026 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Approved: June 4, 2025