



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 25-1122: AUTOMATED DRIVING SYS. COMMERCIAL MOTOR VEHICLE

Prime Sponsors:

Rep. Lieder; Richardson
Sen. Sullivan; Liston

Fiscal Analyst:

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Bill Outcome: Vetoed by Governor

Drafting number: LLS 25-0316

Version: Final Fiscal Note

Date: September 3, 2025

Fiscal note status: The final fiscal note reflects the enrolled bill. This bill was vetoed by the Governor on May 29, 2025; therefore, the impacts identified in this analysis do not take effect.

Summary Information

Overview. The bill would have prohibited the use of an automated driving system to drive a commercial motor vehicle, except under certain circumstances, and created a new Class A traffic infraction.

Types of impacts. The bill was projected to affect the following areas on a limited basis:

- State Expenditures

Appropriations. No appropriation was required.

Table 1
State Fiscal Impacts

| Type of Impact | Budget Year FY 2025-26 | Out Year FY 2026-27 |
|---------------------------------|---------------------------|------------------------|
| State Revenue | \$0 | \$0 |
| State Expenditures (Cash Funds) | \$0 | \$12,809 |
| Transferred Funds | \$0 | \$0 |
| Change in TABOR Refunds | \$0 | \$0 |
| Change in State FTE | 0.0 FTE | 0.0 FTE |

Summary of Legislation

Automated driving systems are hardware or software that are able, without the intervention or supervision of a human operators, to perform all the aspects of dynamic driving of a motor vehicle on a part- or full-time basis.

The bill prohibits the use of an automated driving system to drive a commercial motor vehicle on a roadway unless an individual who holds a commercial driver license is:

- in the vehicle;
- in the driver's seat when hazardous materials are being transported;
- monitoring the system's driving; and,
- intervening if necessary to avoid illegal and/or unsafe driving.

Individuals who do not comply with these requirements commit a class A traffic infraction and are subject to penalties of \$1,000 for the first offense, \$2,000 for the second offense, and fees doubling for each additional offense.

Comparable Crime Analysis

Legislative Council Staff is required to include certain information in the fiscal note for any bill that creates a new crime, changes the classification of an existing crime, or creates a new factual basis for an existing crime. The following section outlines crimes that are comparable to the offense in this bill and discusses assumptions on future rates of criminal convictions resulting from the bill.

Prior Conviction Data and Assumptions

This bill creates the new offense of using an automated driving system to drive a commercial motor vehicle without taking the required precautions, a Class A traffic infraction. To form an estimate on the prevalence of this new crime, the fiscal note analyzed the existing offense of testing an automated driving system that is not capable of complying with every state and federal law without the permission of Colorado State Patrol and the Colorado Department of Transportation as a comparable crime. From FY 2021-22 to FY 2023-24, zero offenders have been sentenced and convicted for this existing offense; therefore, the fiscal note assumes that there will be minimal or no additional case filings or convictions for the new offense under the bill. Because the bill is not expected to have a tangible impact on criminal justice-related expenditures or revenue at the state or local levels, these potential impacts are not discussed further in this fiscal note.

State Expenditures

The bill increases expenditures in the Department of Revenue (DOR) by \$12,809 in FY 2026-27 only. These costs, paid from the DRIVES Cash Fund, are summarized in Table 2 and discussed below.

Table 2
State Expenditures
Department of Revenue

| Cost Component | Budget Year FY 2025-26 | Out Year FY 2026-27 |
|-----------------------|-----------------------------------|--------------------------------|
| DRIVES Programming | \$0 | \$12,809 |
| Total Costs | \$0 | \$12,809 |
| Total FTE | 0.0 FTE | 0.0 FTE |

Department of Revenue

The bill increases expenditures in the Division of Motor Vehicles within the DOR to update the DRIVES system with the new traffic offense and the ability to double fines for convictions up to four times. Any additional doubling of fines will require additional programming and associated costs. Computer programming costs in FY 2026-27 include DRIVES programming, estimated at 40 hours at a rate of \$261 per hour; plus \$2,369 for ISD development, Office of Information Technology support, and additional testing.

Technical Note

DRIVES Cash Fund Solvency

The fiscal note assumes that increased costs for the bill will be paid from the DRIVES Cash Fund, and that the DOR will raise fees as necessary to ensure that it has sufficient funds to pay for program expenses. However, the DOR reports that recent cash fund consolidations have placed the fund above the allowable statutory reserve and it is unable to raise fees currently. At the same time, current spending from the fund is projected to deplete the available fund balance within the next two years. If the DOR is unable or unwilling to raise fees, the General Fund may be required, either in this bill or through the annual budget process, to ensure cash fund solvency.

Effective Date

The bill takes effect on July 1, 2027, assuming no referendum petition is filed.

State and Local Government Contacts

Counties

District Attorneys

Information Technology

Judicial - Criminal

Local Affairs

Municipalities

Public Safety

Revenue

Sheriffs

Transportation

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).