



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

SB 25-257: MODIFY GEN FUND TRANSFERS TO STATE HWY FUND

Prime Sponsors:

Sen. Bridges; Kirkmeyer
Rep. Bird; Taggart

Fiscal Analyst:

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Published for: Senate Appropriations**Drafting number:** LLS 25-0889**Version:** Initial Fiscal Note**Date:** March 31, 2025**Fiscal note status:** This fiscal note reflects the introduced bill.

Summary Information

Overview. The bill modifies the schedule and amount of annual transfers from the General Fund to the State Highway Fund.

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

- State Transfers
- State Expenditures

Appropriations. No appropriation is required as the State Highway Fund is continuously appropriated to the Department of Transportation.

Table 1
State Fiscal Impacts

Type of Impact¹	Budget Year FY 2025-26	Out Year FY 2026-27	Out Years FY 2027-28 FY 2028-29	Out Years		
				FY 2029-30	FY 2030-31	Out Year FY 2031-32 FY 2032-33
State Revenue	\$0	\$0	\$0	\$0	\$0	\$0
State Expenditures	-\$71.0 million	-\$56.5 million	-\$7.0 million	\$10.5 million	\$61.0 million	
Transferred Funds	-\$71.0 million	-\$56.5 million	-\$7.0 million	\$10.5 million	\$61.0 million	
Change in TABOR Refunds	\$0	\$0	\$0	\$0	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE	0.0 FTE	0.0 FTE	0.0 FTE	0.0 FTE

¹ Fund sources for these impacts are shown in the tables below.

Table 1A
State Expenditures

Fund Source	Budget Year FY 2025-26	Out Year FY 2026-27	Out Years FY 2027-28 FY 2028-29	Out Years		
				FY 2029-30	FY 2030-31 FY 2031-32	Out Year FY 2032-33
General Fund	\$0	\$0	\$0	\$0	\$0	\$0
State Highway Fund	-\$71.0 million	-\$56.5 million	-\$7.0 million	\$10.5 million	\$61.0 million	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Centrally Appropriated	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenditures	-\$71.0 million	-\$56.5 million	-\$7.0 million	\$10.5 million	\$61.0 million	
Total FTE	0.0 FTE	0.0 FTE	0.0 FTE	0.0 FTE	0.0 FTE	0.0 FTE

Table 1B
State Transfers

Fund Source	Budget Year FY 2025-26	Out Year FY 2026-27	Out Years FY 2027-28 FY 2028-29	Out Years		
				FY 2029-30	FY 2030-31 FY 2031-32	Out Year FY 2032-33
General Fund	\$71.0 million	\$56.5 million	\$7.0 million	-\$10.5 million	-\$61.0 million	
State Highway Fund	-\$71.0 million	-\$56.5 million	-\$7.0 million	\$10.5 million	\$61.0 million	
Net Transfer	\$0	\$0	\$0	\$0	\$0	\$0

Summary of Legislation

The bill modifies the schedule and amounts of annual transfers from the General Fund to the State Highway Fund as follows:

- the \$100.0 million transfer scheduled for July 1, 2025, is reduced to \$36.0 million;
- the \$100.0 million transfer scheduled for July 1, 2026, is reduced to \$50.5 million;
- the \$82.5 million transfers scheduled for each July 1 from July 1, 2029, through July 1, 2031, are increased to \$100.0 million;
- a new \$61.0 million transfer is scheduled for July 1, 2032; and
- the \$7.0 million transfers for the purpose of providing additional funding for the revitalizing main streets program scheduled for each July 1 from July 1, 2025, through July 1, 2031, are eliminated.

Background

Revitalizing Main Streets Program

Under current law, \$7.0 million is to be transferred from the General Fund to the State Highway Fund each July 1 from July 1, 2024, through July 1, 2031, for the purpose of providing additional funding for the [Revitalizing Main Streets](#) (RMS) grant program in the Department of Transportation (CDOT). The grant program funds infrastructure improvements to make walking and biking easier and safer.

State Transfers

The bill makes modifications to transfers from the General Fund to the State Highway Fund as described in the summary section above and shown in Table 2 below.

Table 2
Transfers from the General Fund to the State Highway Fund

Item	Budget Year FY 2025-26	Out Year FY 2026-27	Out Years		
			FY 2027-28	FY 2028-29	FY 2029-30
Current Law Transfers	\$107.0 million	\$107.0 million	\$107.0 million	\$89.5 million	\$0
SB 25-257 Transfers	\$36.0 million	\$50.5 million	\$100.0 million	\$100.0 million	\$61.0 million
Change in Transfers	-\$71.0 million	-\$56.5 million	-\$7.0 million	\$10.5 million	\$61.0 million

Table 2A
Transfers – State Highway Fund for All Purposes

Item	Budget Year FY 2025-26	Out Year FY 2026-27	Out Years		
			FY 2027-28	FY 2028-29	FY 2029-30
Current Law Transfers	\$100.0 million	\$100.0 million	\$100.0 million	\$82.5 million	\$0
SB 25-257 Transfers	\$36.0 million	\$50.5 million	\$100.0 million	\$100.0 million	\$61.0 million
Change in Transfers	-\$64.0 million	-\$49.5 million	\$0	\$17.5 million	\$61.0 million

Table 2B
Transfers – State Highway Fund for Revitalizing Main Streets Program

Item	Budget Year	Out Year	Out Years	Out Years			
	FY 2025-26			FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Current Law Transfers	\$7.0 million	\$7.0 million	\$7.0 million		\$7.0 million		\$0
SB 25-257Transfers	\$0	\$0	\$0		\$0		\$0
Change in Transfers	-\$7.0 million	-\$7.0 million	-\$7.0 million		-\$7.0 million		\$0

State Expenditures

On net, the bill reduces expenditures from the State Highway Fund by \$49 million from FY 2025-26 through FY 2032-33.

The decreased transfers to the State Highway Fund as discussed in the State Transfers section result in a corresponding decrease in CDOT expenditures. The State Highway Fund is continuously appropriated and most funding is dedicated to multi-year projects at the discretion of the Transportation Commission; therefore, the amount of the change in expenditures for each fiscal year is not known.

Technical Note

The bill repeals the authorizing statutes for \$107 million in transfers from the General Fund to the State Highway Fund that occurred on July 1, 2024. Because these transfers already occurred, the fiscal note assumes this is a repeal of obsolete statutes, and that the bill has no impact on the amount of transfers for the current FY 2024-25.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Joint Budget Committee Staff