



Fiscal Note
Legislative Council Staff
Nonpartisan Services for Colorado’s Legislature

SB 25-161: TRANSIT REFORM

Prime Sponsors:

Sen. Winter F.; Jodeh
Rep. Lindstedt; Froelich

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Summary Information

Overview. The bill updates the operations of the Regional Transportation District (RTD) and creates an RTD Accountability Committee.

Types of impacts. The bill is projected to affect the following areas on a limited (state) and ongoing (statutory public entity and local government) basis:

- State Expenditures
- Local Government
- Statutory Public Entity

Appropriations. For FY 2025-26, the bill requires and includes an appropriation of \$146,720 to the Colorado Energy Office. No appropriation is required from the State Highway Fund, which is continuously appropriated to the Department of Transportation.

Table 1
State Fiscal Impacts

Type of Impact ¹	Budget Year FY 2025-26	Out Year FY 2026-27
State Revenue	\$0	\$0
State Expenditures	\$273,552	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.1 FTE	0.0 FTE

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

Table 1A
State Expenditures

Fund Source	Budget Year FY 2025-26	Out Year FY 2026-27
General Fund	\$146,720	\$0
Cash Funds	\$124,500	\$0
Federal Funds	\$0	\$0
Centrally Appropriated	\$2,332	\$0
Total Expenditures	\$273,552	\$0
Total FTE	0.1 FTE	0.0 FTE

Summary of Legislation

The bill creates new requirements for the Regional Transportation District (RTD) with the goal of improving its performance. These requirements include strategic planning, performance tracking, and coordination among transit agencies, local governments, and planning organizations.

Under the bill, RTD:

- is authorized to enter into service partnerships with local governments, institutions of higher education, business or housing entity, or special district to expand transit services within or beyond the boundaries of RTD;
- must align with state climate goals, establish worker retention goals, comply with federal transit worker safety directives, and to develop performance measures to evaluate its progress with the above;
- is required to develop a 10-year strategic plan, including a study of funding opportunities, by 2026 and comprehensive operational analyses every five years beginning in 2026;
- must publish information and dashboards on its website on capital projects, ridership and service information, planned service changes, workforce data, and safety; and
- must notify the Denver Regional Council of Governments (DRCOG) and the Department of Local Affairs of known infrastructure gaps within transit-oriented communities.

The bill also clarifies the powers and duties of RTD's board of directors, prohibits write-in candidates from the RTD board elections, and modernizes RTD's EcoPass program.

The Transportation Commission must develop and publish by March 31, 2026, best practices for creating regional transportation authorities, enhancing transit funding, and providing additional transit services across the state.

The bill establishes a 15 member RTD Accountability Committee within the Colorado Energy Office (CEO)—with 14 voting members and 1 ex-officio member—to assess the RTD executive leadership and board’s governance structure and compensation, local and state agency representation within RTD, and workforce retention, with recommendations due by January 30, 2026.

Finally, the bill makes changes to the information that an eligible entity is required to provide to the Clean Transit Enterprise after being awarded money from the local transit operations cash fund.

Background

The General Assembly established RTD in 1969 to create, operate, and maintain a transit system in the RTD service area. The original RTD board consisted of 21 taxpaying electors. In 1980, citizen-initiated ballot measure Initiative 6 changed the composition of RTD's board to its current structure, a 15-member board of directors. Directors are elected for four-year terms and elections are staggered so that eight seats are open in one general election and seven in the next.

RTD is a political subdivision, similar to a special district. However, RTD is not a regional transportation authority. Current law gives RTD's board wide authority to operate and maintain the transportation system within its district boundaries, including the power to enter into contracts; borrow and invest money; purchase and maintain property; and levy taxes. The board is also charged with setting RTD policy, adopting the annual budget, and establishing RTD's short- and long-term transit goals.

The legislature plays a limited role in the administration of RTD; however, RTD is required to provide copies of its annual budget to the Transportation Legislation Review Committee, and other information, data, testimony, or audits as requested by the committee.

RTD currently serves 3.08 million people in 2,342 square miles of service area, including all or part of the following eight counties: Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, Jefferson, and Weld. The district is funded through sales and use taxes within its region, fare revenue, and bonds. More information is available in its most recent [Annual Comprehensive Financial Report](#).

State Expenditures

The bill increases state expenditures by about \$274,000 in FY 2025-26 only. These costs are incurred in CEO and CDOT as shown in Table 2 and described in the sections below. Costs are paid from the General Fund and the State Highway Fund.

Table 2
State Expenditures
All Departments

Department	Budget Year FY 2025-26	Out Year FY 2026-27
Colorado Energy Office	\$149,052	\$0
Department of Transportation	\$124,500	\$0
Total Costs	\$273,552	\$0

Colorado Energy Office

Staff

CEO requires 0.1 FTE Program Manager III from July 2025 through January 2026 to manage the work of the RTD Accountability Committee, including managing appointments of committee members, procurement and management of consultants, logistics and meeting facilitation, and oversight for the final report drafting and presentation.

Consultant Services

CEO requires the services of a consultant to support the facilitation of committee meetings, planning, the drafting and finalization of the report, and public transit governance and administration research and expertise. Consultant costs are estimated at \$135,000, with actual costs dependent on contract terms.

Table 2A
State Expenditures
Colorado Energy Office

Cost Component	Budget Year FY 2025-26	Out Year FY 2026-27
Personal Services	\$11,720	\$0
Consultant Services	\$135,000	\$0
Centrally Appropriated Costs	\$2,332	\$0
Total Costs	\$149,052	\$0
Total FTE	0.1 FTE	0.0 FTE

Department of Transportation

CDOT requires \$124,500 in FY 2025-26 only to hire a consultant to study and publish technical assistance materials outlining best practices for the development of regional transportation authorities. These costs are paid from the State Highway Fund.

Additionally, the bill increases workload for CDOT to serve as one of the two non-voting ex-officio members to the RTD board. This can be accomplished within existing appropriations.

Table 2B
State Expenditures
Department of Transportation

Cost Component	Budget Year FY 2025-26	Out Year FY 2026-27
Consultant Services	\$124,500	\$0
Total Costs	\$124,500	\$0

Governor's Office of Boards and Commissions

Workload will minimally increase for the Governor's Office of Boards and Commissions to make the required five appointments to the RTD Accountability Committee as required under the bill. This work can be accomplished within existing appropriations.

Centrally Appropriated Costs

Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are shown in the expenditure table above.

Local Government

There may be some limited expenditures for municipalities and counties to respond to requests from RTD for information on infrastructure adequacy in transit centers and to participate in the required planning processes.

Statutory Public Entity

The bill increases expenditures in RTD by approximately \$5.6 million in FY 2025-26, and by differing amounts ongoing. The expenditures and their timing are as follows:

- every five-year costs of \$3.0 million to conduct the comprehensive operation analysis;
- one-time costs of \$2.5 million to complete the 10-year strategic plan; and
- ongoing costs of \$100,000 to coordinate with entities hosting special events.

Expenditures for the comprehensive operation analysis and strategic plan will be incurred over an 18-month period, with additional time required if done concurrently.

Technical Note

The analysis and planning the bill requires RTD to perform is expected to require at least 18 months to complete, which current bill timelines preclude.

Effective Date

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

State Appropriations

For FY 2025-26, the bill requires and includes a General Fund appropriation of \$146,720 to the Colorado Energy Office within the Governor's Office and 0.1 FTE.

No appropriation is required from the State Highway Fund, which is continuously appropriated to the Department of Transportation.

State and Local Government Contacts

Colorado Energy Office
Counties
Governor's Office
Legislative Council Staff

Local Affairs
Municipalities
Regional Transportation District
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](#).