



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 25-1036: MISSING MURDERED INDIGENOUS RELATIVES LICENSE PLATE

Prime Sponsors:

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Fiscal note status: The fiscal note reflects the introduced bill.

Summary Information

Overview. The bill creates the Missing and Murdered Indigenous Relatives special license plate.

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

- State Expenditures
- State Revenue
- TABOR Refunds
- Local Government

Appropriations. For FY 2025-26, the bill requires an appropriation of \$7,406 to the Department of Revenue. No appropriation is required for donations received by the Department of Public Safety.

Table 1
State Fiscal Impacts

Type of Impact	Budget Year FY 2025-26	Out Year FY 2026-27
State Revenue (Cash Funds)	\$5,090	\$5,435
State Expenditures (Cash Funds)	\$8,881	\$2,285
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$3,615	\$3,860
Change in State FTE	0.0 FTE	0.0 FTE

Summary of Legislation

The bill creates the Missing and Murdered Indigenous Relatives (MMIR) special license plate to be issued by January 1, 2026. The license plate will be available to applicants that pay two one-time fees of \$25 each, in addition to standard license plate fees and taxes to the Department of Revenue (DOR). Applicants must also make a minimum \$25 donation to the Office of Liaison for MMIR in the Department of Public Safety (DPS). Donations to the office must be used to support its duties and to provide financial support to MMIR families.

Background

The Office of Liaison for Missing and Murdered Indigenous Relatives was created through [Senate Bill 22-150](#) in the DPS. The office is authorized to seek, accept, and expend gifts, grants, and donations.

The Division of Motor Vehicles (DMV) in the DOR uses its Driver License, Record, Identification and Vehicle Enterprise Solution (DRIVES) information technology system for all driver license and motor vehicle transactions. The DRIVES system requires an extensive 18-month upgrade which is scheduled to take place from July 1, 2024, through March 31, 2026. As a result, the DOR has requested that any new legislation requiring DRIVES programming have an effective date of July 1, 2027, with roll-forward spending authority through FY 2028-29, noting that each programming requirement during the system upgrade period may increase the overall project timeline.

Assumptions

Expected demand for the plate is based on the actual demand for the Court Appointed Special Advocate special license plate, which has a 0.003 percent participation rate across the 6.2 million registered vehicles in Colorado. Using this proxy, the fiscal note assumes 59 MMIR license plates issued in FY 2025-26, and 63 plates issued in FY 2026-27, with similar amounts ongoing.

State Revenue

Based on the assumptions outlined above, the bill will increase state cash fund revenue by \$5,090 in FY 2025-26, \$5,435 in FY 2026-27, and similar amounts in subsequent years, as shown in the tables below. But for donations to the Office of Liaison for MMIR, this revenue is subject to TABOR.

Table 2
State Revenue
All Departments

Department	Budget Year FY 2025-26	Out Year FY 2026-27
Department of Revenue	\$3,615	\$3,860
Department of Public Safety	\$1,475	\$1,575
Total Revenue	\$5,090	\$5,435

Department of Revenue

The bill will increase cash fund revenue to the DOR by an estimated \$3,615 in FY 2025-26, \$3,860 in FY 2026-27, and similar amounts in future years. This revenue is discussed below and shown in Table 2A. It is subject to TABOR.

- **Special License Plate Fees.** Applicants for the Missing and Murdered Indigenous Relative special license plate are required to pay an additional \$50 in fees, of which \$25 is credited to the Highway Users Tax Fund (HUTF) and \$25 is credited to the DRIVES Cash Fund. Of the HUTF revenue, 65 percent is credited to the State Highway Fund (SHF) for expenditure by the Department of Transportation, 26 percent is credited to counties, and 9 percent is credited to municipalities, as shown in Table 2C.
- **Standard License Plate Fees.** Upon registration, all vehicle owners must pay a plate and tab production free of \$11.27 for a digital passenger vehicle plate set in FY 2025-26 and beyond. All specialty plates are manufactured as digital plates, and the fiscal note assumes motorcycle issuance will be minimal. Fees from plate and tab production are credited to the License Plate Cash Fund (LPCF).

Table 2A
State Revenue
Department of Revenue

Fund	FY 2025-26	FY 2026-27
DRIVES Cash Fund (\$25)	\$1,475	\$1,575
Highway Users Cash Fund (\$25)	\$1,475	\$1,575
License Plate Cash Fund (\$11.27)	\$665	\$710
Total Revenue	\$3,615	\$3,860

Department of Public Safety

Applicants for the special license plate are required to donate at least \$25 to the Office of Liaison for MMIR in the Department of Public Safety. Using the assumptions outlined above, this will increase revenue to DPS by at least \$1,475 in FY 2025-26, \$1,575 in FY 2026-27, and similar amounts ongoing, as shown in Table 2B below. Revenue from donations is not subject to TABOR.

Table 2B
State Revenue
Department of Public Safety

Fund	FY 2025-26	FY 2026-27
Office of Liaison for MMIR (at least \$25)	at least \$1,475	at least \$1,575
Total Revenue	at least \$1,475	at least \$1,575

Highway Users Tax Fund Distributions

Of the HUTF revenue generated under this bill, 65 percent is credited to the State Highway Fund (SHF) for expenditure by the Department of Transportation, 26 percent is credited to counties, and 9 percent is credited to municipalities. Table 2C outlines the estimated distribution of HUTF revenue generated under this bill.

Table 2C
HUTF Distributions
Department of Transportation and Local Governments

HUTF Distributions	FY 2025-26	FY 2026-27
State Highway Fund (65 percent)	\$959	\$1,024
Counties (26 percent)	\$384	\$410
Municipalities (9 percent)	\$133	\$142
Total HUTF Distribution	\$1,475	\$1,575

State Expenditures

The bill increases state cash fund expenditures by \$8,881 in FY 2025-26, \$2,285 in FY 2026-27, and similar amounts ongoing. These costs will be incurred in the Department of Revenue (DOR) and the Department of Public Safety (DPS) as shown in the Table 3 and described in the sections below.

Table 3
State Expenditures
All Departments

Department	Budget Year FY 2025-26	Out Year FY 2026-27
Department of Revenue	\$7,406	\$710
Department of Public Safety	\$1,475	\$1,575
Total Costs	\$8,881	\$2,285

Department of Revenue

The DOR will have costs to produce the new plates, perform computer system changes, and make other updates, as outlined below

Plate and Tab Production

As discussed in the State Revenue section, plate tab and production costs for special group plates are \$11.27 per license plate set in FY 2025-26 and subsequent years. Based on the assumed number of plates, this will increase costs by the amounts shown in Table 3A below. In addition, Colorado Correctional Industries will receive a one-time fee of \$250 for designing the plate. Plate and tab production costs are paid from the LPCF.

DRIVES Programming

In FY 2025-26, one-time programming costs of \$6,491 are required to update the Driver License, Record, Identification and Vehicle Enterprise Solutions (DRIVES) system with the license plate. Programming costs assume 20 hours at a rate of \$251 per hour for a total cost of \$5,020. Testing is estimated to require 26 hours at between \$32 and \$35 per hour for a total cost of \$877. Office of Information Technology (OIT) support requirements are estimated at 6 hours at a rate of \$99 per hour, which will be allocated to DOR and paid to OIT via real time billing.

Training and Materials Updates

DOR will be required to update rules, forms, manuals, and the department's website to include the license plate. The DOR will also provide training to authorized agents, Title and Registration Section staff, and law enforcement. Any workload increases or costs associated with these activities can be accomplished within existing appropriations.

Table 3A
State Expenditures
Department of Revenue

Cost Component	Budget Year FY 2024-25	Out Year FY 2025-26
Plate and Tab Production	\$915	\$710
DRIVES Programming	\$6,491	\$0
Total Costs	\$7,406	\$710
Total FTE	0.0 FTE	0.0 FTE

Department of Public Safety

The Office of Liaison for MMIR in the DPS will spend the donations it receives to support its duties and to provide financial support to MMIR families, as required by the bill. Assuming donations are made at the minimum amount to receive the license plate, this amount is estimated at \$1,475 in FY 2024-25, \$1,575 in FY 2025-26, and similar amounts ongoing, based on the assumed demand for the new plate.

Table 3B
State Expenditures
Department of Public Safety

Cost Component	Budget Year FY 2024-25	Out Year FY 2025-26
Use of Donations	\$1,475	\$1,575
Total Costs	\$1,478	\$1,575
Total FTE	0.0 FTE	0.0 FTE

TABOR Refunds

The bill is expected to increase the amount of state revenue required to be refunded to taxpayers by the amounts shown in Table 1 above. This estimate assumes the December 2024 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, increased cash fund revenue will reduce the amount of General Fund available to spend or save.

Local Government

This bill will increase local government HUTF revenue by the amounts shown in Table 2C above. HUTF revenue generated by license plate fees is distributed to counties (26 percent) and municipalities (9 percent) for transportation needs.

Technical Note

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.

As discussed in the Background section, the ongoing DRIVES upgrade may delay the implementation of this bill. In addition to providing roll-forward spending authority, the issuance date, which is currently January 1, 2026, may need to be pushed back to ensure the programming is completed by the time the license plate must be issued.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State Appropriations

For FY 2025-26, the bill requires an appropriation of \$7,406 to the Department of Revenue, with roll-forward spending authority through FY 2026-27. Of this total:

- \$6,491 is from the DRIVES Cash Fund; and,
- \$915 is from the License Plate Cash Fund.

No appropriation is required for the donations received by the Office of Liaison of Missing and Murdered Indigenous Relatives in the Department of Public Safety as the office has authority to expend gifts, grants, and donations in current law.

State and Local Government Contacts

Corrections

Counties

County Clerks

Information Technology

Public Safety

Revenue

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](#).