



Fiscal Summary

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Measure: Initiative 51 – REPEAL RETAIL DELIVERY FEE

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Fiscal Summary of Initiative 51

This fiscal summary, prepared by the nonpartisan Director of Research of the Legislative Council, contains a preliminary assessment of the measure's fiscal impact. A full fiscal impact statement for this initiative is or will be available at leg.colorado.gov/bluebook. This fiscal summary identifies the following impact.

State Revenue

The measure repeals state and enterprise retail delivery fees, which will reduce state revenue by an estimated \$67 million in FY 2026-27 (half-year impact) and \$146 million in FY 2027-28 with increasing amounts in future years. This revenue currently goes to the Highway Users Tax Fund (HUTF), the Multimodal Transportation and Mitigation Options Fund (MMOF), the Bridge and Tunnel Enterprise, the Community Access Enterprise, the Clean Fleet Enterprise, the Clean Transit Enterprise, and the Nonattainment Area Air Pollution Mitigation Enterprise.

State Expenditures

The measure will reduce state expenditures to the extent that it reduces state revenue. Expenditures will be reduced by up to \$67 million in FY 2026-27 (half-year impact) and up to \$146 million in FY 2027-28 with increasing amounts in future years. Of those amounts, \$48.2 million in FY 2026-27 and \$105.0 million in FY 2027-28 is spent directly by the Colorado Department of Transportation and state enterprises, while the remaining funds are distributed to local governments.

Local Government

The measure reduces revenue distributed to counties, municipalities and Transportation Planning Regions (TPRs) from the HUTF and MMOF by \$18.8 million in FY 2026-27 (half-year impact) and \$41.1 million in FY 2027-28 with increasing amounts in future years.

The measure reduces local expenditures to the extent that it reduces revenue. Expenditures will be reduced by up to \$4.9 million for counties and \$4.0 million for municipalities in FY 2026-27, and up to \$10.8 million for counties and \$8.8 million for municipalities in FY 2027-28 with

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increasing amounts in future years. Expenditures will be reduced for Transportation Planning Regions, which receive grants from the MMOF, by up to \$9.8 million in FY 2026-27 and up to \$21.4 million in FY 2027-28 with increasing amounts in future years.

Economic Impacts

To the extent that taxpayers save money from not paying the retail delivery fee, taxpayers will have more income available to spend, save, or invest elsewhere in the economy, while governments will have less funding available for mass transit and other public services. Any overall change in economic activity would depend on the net economic impacts of higher disposable household income and reduced investment in public services.