SB 25-286

Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

SB 25-286: PETROLEUM PRODUCTS FEES & PENALTIES

Prime Sponsors:
Sen. Hinrichsen; Snyder
Rep. Bird

Fiscal Analyst:
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Bill Outcome: Signed into Law:
Drafting number: LLS 25-1036

Version: Final Fiscal Note
Date: July 28, 2025

Fiscal note status: The final fiscal note reflects the enacted bill.

Summary Information

Overview. The bill creates civil penalties on the distribution of reformulated gasoline that violates fuel quality standards.

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

- State Revenue
- Minimal State Workload

Appropriations. No appropriation is 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	$0	$0
Transferred Funds	$0	$0
Change in TABOR Refunds	$0	$0
Change in State FTE	0.0 FTE	0.0 FTE

Summary of Legislation

When the federal Environmental Protection Agency requires the sale of reformulated gasoline in a nonattainment area in the state, this bill allows the Division of Oil and Public Safety in the Colorado Department of Labor and Employment to impose a civil penalty up to $5,000 per day for the retail distribution of reformulated gasoline that violates the applicable fuel quality standard. Before August 15, 2025, the division must notify with an email any owner of a gas station that is located in a nonattainment area of the penalty.

State Revenue

Civil Penalties and Filing Fees

To the extent CDLE assesses civil penalties under the bill, revenue to the Petroleum Cleanup Redevelopment Fund will increase. The bill may also increase revenue to various cash funds in the Judicial Department from an increase in filing fees from civil case filings. These revenue sources are subject to TABOR.

State Expenditures

Department of Labor and Employment

Workload may increase to assess penalties for violations of reformulated gasoline requirements. If those requirements are implemented, the fiscal note assumes that gasoline retailers will generally meet the requirements, and any increase in workload is expected to be minimal.

Judicial Department

The bill may minimally increase workload in the trial courts if additional civil cases are brought for noncompliance with applicable fuel quality standards or from failing to file a required air pollutant emission notice. This fiscal note assumes a high degree of compliance from affected persons and that most violations will be resolved administratively. Any increase in trial court workload is anticipated to be minimal.

Effective Date

The bill was signed into law by the Governor on June 4, 2025, and takes effect on August 6, 2025, assuming no referendum petition is filed.

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State and Local Government Contacts

Labor and Employment

Judicial

Public Health and Environment