

# STATE OF COLORADO

## Colorado General Assembly

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## MEMORANDUM

**To:** Donna Kim Wade and Michael Andre Hancock

**From:** Legislative Council Staff and Office of Legislative Legal Services

**Date:** October 31, 2025

**Subject:** Proposed initiative measures 2025-2026 #174 and #175, concerning state revenue supporting road transportation

Section 1-40-105 (1), Colorado Revised Statutes, requires the directors of the Legislative Council Staff and the Office of Legislative Legal Services to "review and comment" on initiative petitions for proposed laws and amendments to the Colorado Constitution. We hereby submit our comments and questions to you regarding the appended proposed initiatives.

The purpose of this statutory requirement of the directors of Legislative Council Staff and the Office of Legislative Legal Services is to provide comments and questions intended to aid designated representatives, and the proponents they represent, in determining the language of their proposals and to avail the public of the contents of the proposals. Our first objective is to be sure we understand your intended purposes of the proposals. We hope that the comments and questions in this memorandum provide a basis for discussion and understanding of the proposals. Discussion between designated representatives or their legal representatives and employees of the Legislative Council Staff and the Office of Legislative Legal Services is encouraged during review and comment meetings, but comments or discussion from anyone else is not permitted.

Proposed initiatives **2025-2026 #174** and **#175** were submitted by the same designated representatives as a series of proposed initiatives. The comments and questions raised in this memorandum address proposed initiatives **2025-2026 #174** and **#175**.

## **Purposes**

### **Purposes for Proposed Initiative 2025-2026 #174**

The major purposes of the proposed amendment to the Colorado Constitution appear to be to:

1. Require districts and enterprises, as those entities are defined in section 20 of article X of the Colorado Constitution, to spend all state revenue collected after January 1, 2027 to support road transportation, as defined in the proposed initiative, on road transportation, as defined in the proposed initiative;
2. Require that state revenue collected to support road transportation be expended consistently with the highway users tax fund as provided in state law; and
3. Create new definitions for the terms “motor vehicle,” “road transportation,” and “state revenue collected to support road transportation” that apply to the new section of the Colorado Constitution created by the proposed initiative.

### **Purposes for Proposed Initiative 2025-2026 #175**

The major purposes of the proposed amendment to the Colorado Constitution appear to be to:

1. Require districts, as defined in section 20 of article X of the Colorado Constitution, to spend all state revenue collected after January 1, 2027 to support road transportation, as defined in the proposed initiative, on road transportation, as defined in the proposed initiative;
2. Require that state revenue collected to support road transportation be expended consistently with the highway users tax fund as provided in state law; and
3. Create new definitions for the terms “motor vehicle,” “road transportation,” and “state revenue collected to support road transportation” that apply to the new section of the Colorado Constitution created by the proposed initiative.

## Substantive Comments and Questions

The substance of the proposed initiatives raises the following comments and questions:

1. Article V, section 1 (5.5) of the Colorado Constitution requires all proposed initiatives to have a single subject. What is the single subject of each of the proposed initiatives?
2. The proposed initiatives list the effective dates of the new constitutional provisions as January 1, 2027. Is it your intent that all state revenue collected to support road transportation that is collected on or after January 1, 2027, be spent on road transportation, as defined in the initiatives?
3. The proposed initiatives state that “state revenue collected to support road transportation shall be expended consistently with the highway users tax fund as provided in state law.” Currently, if “state revenue collected to support road transportation,” as defined in the proposed initiatives, is spent only on “road transportation,” as defined in the proposed initiatives, this use would be inconsistent with the structure of the highway users tax fund as currently provided in state law. For example, section 43-4-206, C.R.S., directs that certain portions of the highway users tax fund be spent on items that are not explicitly included within the definition of “road transportation,” such as the “salaries, wages, and necessary traveling and other expenses of all persons connected with the department of transportation,” and “equipment, furniture, and supplies for officers, division offices, and laboratories as may be established by the director of the highway maintenance division.” This raises the following questions:
  - a. Did you mean for “state revenue collected to support road transportation,” as defined in the proposed initiatives, to be spent only on “road transportation,” as defined in the proposed initiatives, and therefore to do away with the structure of the highway users tax fund as set forth in part 2 of article 4 of title 43? If so, large portions of that statutory part would need to be repealed or rewritten. Consider adding those changes into the proposed initiatives.
  - b. Did you mean to incorporate parts of the structure of the highway users tax fund as set forth in part 2 of article 4 of title 43 into the proposed initiatives, but to exclude other parts of the structure? If so, large

portions of that statutory part would need to be rewritten. Consider adding those changes into the proposed initiatives.

4. Section 18 of article X of the Colorado Constitution requires that “the proceeds from the imposition of any license, registration fee, or other charge with respect to the operation of any motor vehicle upon any public highway in this state and the proceeds from the imposition of any excise tax on gasoline or other liquid motor fuel [...] shall, except costs of administration, be used exclusively for the construction, maintenance, and supervision of the public highways of this state.” Is it your intent that the proposed initiatives are consistent with this section of the Colorado Constitution, and if so, are “costs of administration” included in the proposed initiative’s definition of “road transportation”?
5. Subsection (1) of proposed initiative #174 requires a “district or enterprise,” as defined in section 20 of article X of the Colorado Constitution, to spend “any state revenue collected to support road transportation on road transportation.” If you intend for state revenue that is collected in excess of the limits set forth in section 20 of article X of the Colorado Constitution to be spent on road transportation, this provision of the proposed initiative will be in conflict with section 20 of article X of the Colorado Constitution. Is it your intent to alter the requirements of section 20 of article X of the Colorado Constitution with the passage of the proposed initiative?
6. Is it your intent to include the following transit-related sources of state revenue in the definition of “state revenue collected to support road transportation” in subsection (3)(c) of the proposed initiatives?
  - a. Driver’s license reinstatement fees paid by offenders pursuant to section 42-2-132 (4)(b), C.R.S.;
  - b. Fees paid to cover the direct costs of license plates, decals, or validating tabs for motor vehicles pursuant to section 42-3-301 (1), C.R.S.;
  - c. Revenue collected from the sale of abandoned motor vehicles pursuant to section 43-4-205 (5.5)(e), C.R.S.; or
  - d. Fare collected from users of the Bustang bus service?

## Technical Comments

There are no technical comments.