



**COLORADO**

**Department of Transportation**

# CDOT Quarterly Revenue Forecast

Fiscal Year 2024-25 - Quarter 3

Ryan Long - Office of Financial Management and Budget



## CDOT Revenue Forecast Overview

CDOT's Office of Financial Management and Budget (OFMB) maintains an annual revenue model for CDOT's budget-setting process. OFMB updates the model each quarter to monitor the course of a current year's fiscal performance, as well as inform the budget for future out-years. Some of the data used by the model includes, but is not limited to:

- Historical performance of fee revenues
- National economic performance indicators, such as the year-over-year percent change in real U.S. GDP growth
- Inflation estimates based on data from Moody's and the National Highway Cost Construction Index (NHCCI)
- State population and demographic data from the Department of Local Affairs
- Data on annual vehicle miles traveled (VMT) in Colorado from the CDOT Division of Transportation Development
- Estimated vehicle costs, including federal or state rebates for certain vehicles
- Vehicle sales and energy consumption data from the Energy Information Administration
- State fleet data from the Colorado Department of Revenue
- The Colorado Clean Cars standard as baseline for electric vehicle adoption

The model also includes federal and state-appropriated funding from grants or other sources, such as the Federal Highway Administration and Federal Transit Administration (FHWA & FTA), and the National Highway Traffic Safety Administration (NHTSA).

## Summary of Changes to CDOT State Revenue

The table below compares the FY 2024-25 budget to the Q2 and Q3 forecast for CDOT's distribution of HUTF revenue. Overall, the expected revenue from fuel tax and fee revenue has decreased, while the expected revenue from vehicle registrations and FASTER revenue has increased. The increase to registration revenue is primarily due to a technical correction made in the forecast to better account for electric vehicle registration fees.



## Changes to CDOT Revenue in the Current Fiscal Year

Revenue Source	FY 2024-25 Budgeted	FY 2024-25 Q3 Forecast	Variance
First Stream	\$129.2	\$118.1	-\$11.1
Second Stream	\$373.8	\$381.8	\$8.0
FASTER	\$140.4	\$143.1	\$2.7
Retail Delivery Fee	\$8.7	\$9.2	\$0.5
<b>CDOT HUTF Revenue Forecast</b>	<b>\$652.1</b>	<b>\$652.2</b>	<b>\$0.2</b>

## Potential Legislation Impacting CDOT Revenue

SB 25-257 would reduce annual General Fund transfers to CDOT by \$64 million in FY 2025-26 and \$49.5 million FY 2026-27. Additionally, this bill would repeal annual transfers for \$7.0 million to the Department's Safer Main Streets program. These reductions are shown in the table below. This bill would increase General Fund transfers in future years to offset this impact.

### FY 2025-26 Figure Setting Decisions

General Fund Transfers	FY 2024-25	FY 2025-26
General Fund Transfers Under Current Law	\$107.0M	\$107.0M
General Fund Transfers Under SB 25-257	\$36.0M	\$50.5M
<b>Decrease to CDOT General Fund Revenue</b>	<b>(\$71.0M)</b>	<b>(\$56.5M)</b>

Additionally, SB 25-258 would temporarily reduce the Road Safety Surcharge by \$3.70 for all weight classes. This is expected to reduce statewide revenue by approximately \$21 million in FY 2025-26 and FY 2026-27. Of the revenue from this fee, 60 percent is distributed to CDOT and 40 percent is distributed to local governments. This bill also adjusts the HUTF distribution formula to minimize the revenue impact to counties and municipalities.

Any actual changes to CDOT's revenue will depend on the final bills that are passed and signed by the Governor. The potential impacts outlined in this section may change to the extent that these bills are amended or rejected by the General Assembly.



## Highway Users Tax Fund Forecast

The revenue that flows through the HUTF includes state-levied taxes and fees associated with the operation of motor vehicles in the state. The State Treasurer distributes the HUTF proceeds between CDOT, the Colorado State patrol, the Department of Revenue, counties, and municipal governments according to statutory formulas and annual appropriations.

### Forecasted Statewide HUTF Revenue (millions)

Revenue Source	FY 2024-25	FY 2025-26	FY 2026-27
Motor Fuel Taxes	\$646.9	\$650.6	\$654.8
Vehicle Registration Fees	\$233.1	\$239.1	\$248.4
FASTER Collections	\$230.2	\$234.7	\$239.3
Road Usage Fee	\$119.5	\$150.2	\$181.4
Miscellaneous Collections	\$32.3	\$32.3	\$32.3
Retail Delivery Fee	\$23.0	\$25.7	\$28.6
<b>Statewide HUTF Revenue</b>	<b>\$1,284.9</b>	<b>\$1,332.7</b>	<b>\$1,384.9</b>

### HUTF Revenue Sources

**Motor Fuel Taxes** - Motor fuel taxes are currently the primary source of transportation revenue in the state. Colorado has an excise tax of 22 cents per gallon for gasoline and 20.5 cents per gallon for diesel/special fuel.

**Motor Vehicle Registration Fees** - The state collects several fees at the time of vehicle registration. Licensing fees, age-based fees, weight-based fees, and electric vehicle fees are distributed through the HUTF.

- **Age and weight-based vehicle registration fees** - These are annual registration fees that vary based on the age and weight of a vehicle are deposited in the HUTF.
- **Plug-in Electric Motor Vehicle Registration Fee** - The state currently assesses an annual registration fee on plug-in hybrid electric vehicles and battery electric vehicles. Of this fee, 60 percent is allocated to the HUTF and 40 percent is allocated to the Electric Vehicle Grant Fund in the Colorado Energy Office. This fee began annually increasing with inflation in FY 2022-23.
- **Electric Vehicle Road Usage Equalization Fee** - SB 21-260 imposed an additional road usage equalization registration fee on regular and commercial plug-in electric vehicles. Fees on passenger vehicles will be phased in through FY 2031-32. Beginning in FY 2032-33, the fee for passenger vehicles will be



annually adjusted for inflation using the National Highway Cost Construction Index.

- **Commercial Electric Vehicle Fees** - In lieu of the regular equalization fee, electric commercial vehicles will pay an annual registration fee based on weight. Beginning in FY 2023-24, this fee will be annually adjusted for inflation based on the National Highway Cost Construction Index.

**FASTER Fees** - In 2009, the General Assembly passed SB 09-108, also known as the Funding Advancements for Surface Transportation and Economic Recovery (FASTER) Act. This bill created new motor vehicle fees, fines, and surcharges to fund road, bridge, and public transit projects. The fees and surcharges created by FASTER are outlined below. Revenue from faster fees must be used for safety projects.

- **Road Safety Surcharge** - The Road Safety Surcharge applies to every registered vehicle, and it ranges between \$16 and \$39, depending on the vehicle. The amount of the Road Safety Surcharge is set in statute (§43-4-804(1) C.R.S.).
- **Late Registration Fees** - In Colorado, motor vehicles must be registered annually. At the end of each registration period, motor vehicle owners have a one-month grace period to renew their registration. The FASTER late registration fee is charged when a motor vehicle is registered after the grace period. The fee is \$25 for each month the vehicle registration is late, and up to \$100 total. The county office that collects the late registration fee retains \$10 of the fee.
- **Daily Vehicle Rental Fee** - All car rental companies in Colorado are required to collect a fee for each day a vehicle is rented. The rate for this fee is annually adjusted with inflation.
- **Oversize/Overweight Vehicle Surcharges** - Special permits are required when a vehicle exceeds the size and weight restrictions for Colorado's roadways. CDOT is responsible for approving and issuing all special permits. This surcharge is due any time a vehicle requires a single-trip permit to travel, and ranges between \$15 and \$400 depending on the vehicle's size and weight and the duration of the permit.

**Road Usage Fee** - SB 21-260 created the road usage fee, which is assessed on each gallon of gasoline and diesel. This fee will be phased in between FY 2022-23 to FY 2031-32. Beginning in FY 2032-33, this fee will be annually adjusted for inflation based on the National Highway Cost Construction Index. The state began collecting revenue from this fee in April 2023.



**Miscellaneous Collections** - This category includes revenue from traffic penalties and judicial collections, interest earnings, and various cash program revenues.

**Retail Delivery Fees** - SB 21-260 imposed new fees on retail deliveries that are subject to the state sales tax. These fees are assessed by the state, the Statewide Bridge and Tunnel Enterprise, and four new enterprises created in the bill and are collected by the retailer from the purchaser. These fees will be adjusted for inflation based on the Denver-Aurora-Lakewood Consumer Price Index annually.

## Statewide HUTF Distribution

HUTF revenue is distributed to state departments, counties, and municipalities based on statutory formulas. CDOT's portion of revenue from the Highway Users Tax Fund is deposited in the State Highway Fund. The statewide distribution of HUTF funding is described below.

### Statewide HUTF Revenue - Forecasted Distribution by Recipient (million)

Recipient	FY 2024-25	FY 2025-26	FY 2026-27
Off-the-Top Appropriations	\$213.2	\$225.7	\$238.9
CDOT	\$652.3	\$672.4	\$694.6
DNR Capital Construction	\$0.3	\$0.3	\$0.3
Counties	\$242.8	\$250.5	\$258.9
Municipalities	\$176.3	\$183.8	\$192.1
<b>Total HUTF Distributions</b>	<b>\$1,284.9</b>	<b>\$1,332.7</b>	<b>\$1,384.9</b>

HUTF revenue is allocated based on different statutory formulas, which are described below.

**First Stream Revenue** - First stream HUTF revenue consists of the following:

- Proceeds from the first \$0.07 of fuel excise taxes
- Vehicle license plate, identification plate, and placard fees
- Driver license, motor vehicle title and registration, and motorist insurance identification fees
- Proceeds from the passenger-mile tax levied on commercial bus services
- Interest earnings

After “off-the-top” appropriations are made to the Colorado State Patrol and the Department of Revenue, 65 percent of first stream revenue is distributed to CDOT, 26 percent is distributed to counties, and 9 percent is distributed to municipalities.



**Second Stream Revenue** - Second stream HUTF revenue consists of motor fuel taxes in excess of the first \$0.07, road usage fees, age-based registration fees, and electric vehicle registration fees

Of this revenue, 60 percent is distributed to CDOT, 22 percent to counties, and 18 percent to municipalities.

**FASTER Revenue** - FASTER revenue includes the fees, surcharges, and fine revenues authorized by SB 09-108. Of this revenue, \$15.0 million is set aside for spending on transit projects, and the remaining funding is distributed using the same formula as second stream revenue.

**Retail Delivery Fees** - 71.1 percent of the state's share of this revenue is distributed to the HUTF and 28.9 percent is distributed to the Multimodal Transportation and Mitigation Options Fund. Of the revenue deposited in the HUTF, 40 percent is paid to the State Highway Fund, 33 percent is paid to counties, and 27 percent is paid to municipal governments. Revenue from the Retail Delivery Fee may be used for transit-related projects needed to integrate different transportation modes.

## Forecasted CDOT Revenue by Source

In addition to HUTF revenue, CDOT receives revenue from several other federal and state sources. This section summarizes the forecast for all CDOT sources of revenue.

### CDOT Revenue by Cash Fund (millions)

Cash Fund	FY 2024-25	FY 2025-26	FY 2026-27
State Highway Fund - HUTF	\$652.3	\$672.4	\$694.6
Legislative Initiatives	\$107.0	\$107.0	\$107.0
State Highway Fund - Federal	\$795.2	\$804.2	\$759.0
State Highway Fund - Miscellaneous	\$38.4	\$38.5	\$38.7
State Highway Fund - Bustang	\$3.8	\$4.2	\$4.3
Aeronautics Fund	\$60.0	\$57.0	\$57.3
Multimodal Options Fund	\$19.9	\$20.9	\$22.2
Law Enforcement Assistance Fund	\$1.2	\$1.2	\$1.2
State Infrastructure Bank Fund	\$1.2	\$1.2	\$1.3
Marijuana Tax Cash Fund	\$1.0	\$1.0	\$1.0
Fund 606	\$1.2	\$1.2	\$1.2
<b>Cash Fund Revenue Total</b>	<b>\$1,681.2</b>	<b>\$1,708.8</b>	<b>\$1,687.6</b>



## State Highway Fund

Each year, the Colorado General Assembly appropriates the amount of funding that can be used for CDOT's Administration costs from the State Highway Fund. The rest of the funding in the State Highway Fund is allocated by the Colorado Transportation Commission. While the primary sources of funding to the State Highway Fund are HUTF revenue and federal funding, the State Highway Fund also receives revenue from other smaller sources. The sources of State Highway Fund revenue are outlined below.

**Highway Users Tax Fund** - CDOT's portion of HUTF revenue is deposited into the State Highway Fund.

**Legislative Initiatives** - This section includes annual General Fund transfers to the State Highway Fund. Under current law, transfers are \$107 million through FY 2028-29 and \$89.5 million between FY 2029-30 to FY 2031-32.

**Federal Programs** - On November 15, 2021, President Biden signed into law the Infrastructure Investment and Jobs Act, or the IIJA, which includes a reauthorization of surface transportation funding over five years. Actual federal revenues depend on the passage of an annual Appropriations Act, or the extension of an act via "Continuing Resolution," in order to obligate federal resources and receive subsequent cash reimbursement. Colorado receives approximately 1.36 percent of the national total of "formula" funds distributed by the Federal Highway Administration (FHWA).

The largest source of CDOT's federal funding comes from the FHWA. Funding from the National Highway Performance Program and Surface Transportation Block Grant program are generally the most flexible source of funding, and the state has a high degree of discretion on how to allocate these funds. Funding in other programs are dedicated to specific purposes.





### Forecast of FHWA Revenue by Formula Program (millions)

FHWA Formula Programs	FY 2024-25	FY 2025-26	FY 2026-27
National Highway Performance Program (NHPP)	\$315.4	\$316.7	\$324.1
Surface Transportation Block Grant (STBG)	\$147.5	\$150.5	\$153.8
Highway Safety Improvement Program (HSIP)	\$48.3	\$49.4	\$50.5
Railway-Highway Crossings Program	\$3.2	\$3.1	\$3.2
CMAQ	\$41.7	\$42.5	\$43.5
Metro Planning (MPP)	\$6.4	\$6.6	\$6.7
National Freight Program	\$16.7	\$17.0	\$17.4
Carbon Reduction Program	\$15.1	\$15.4	\$15.8
PROTECT Program	\$17.0	\$17.4	\$17.8
Recreational Trails	\$1.6	\$1.6	\$1.6
State Planning and Research (SPR)	\$14.2	\$14.5	\$14.8
Transportation Alternatives Program (TAP)	\$17.1	\$17.5	\$17.8
<b>Total Formula Programs</b>	<b>\$644.2</b>	<b>\$652.1</b>	<b>\$667.0</b>

### Forecast of Other FHWA Allocations (millions)

Program	FY 2024-25	FY 2025-26	FY 2026-27
NHPP Exempt Allocations	\$8.6	\$8.6	\$8.6
FHWA Bridge Formula	\$45.0	\$45.0	\$0.0
National Electric Vehicle Formula Program	\$12.0	\$12.0	\$0.0
<b>Total Other Allocations</b>	<b>\$65.6</b>	<b>\$65.6</b>	<b>\$8.6</b>

Most Federal programs require state or local matching funds. The match requirement generally ranges between 10 to 20 percent. The table below summarizes the overall forecast of local matching funds needed to draw down federal funding.

### Forecast of FHWA Local Matching Funds (millions)

FHWA Local Matching Funds	FY 2024-25	FY 2025-26	FY 2026-27
Local Match	\$33.1	\$33.6	\$30.0
<b>Local Match Total</b>	<b>\$33.1</b>	<b>\$33.6</b>	<b>\$30.0</b>

The state also receives federal transportation revenue from the Federal Transit Administration and National Highway Transportation Safety Administration and may receive discretionary grants from the USDOT, such as RAISE or INFRA.



### Forecast of Other Federal Revenue (millions)

Federal Funding	FY 2024-25	FY 2025-26	FY 2026-27
Federal Transit Administration	\$30.6	\$30.9	\$31.3
Federal Transit Administration - Local Match	\$7.5	\$7.6	\$7.6
National Highway Traffic Safety Administration	\$14.2	\$14.3	\$14.5
<b>Other Federal Programs Total</b>	<b>\$52.3</b>	<b>\$52.8</b>	<b>\$53.4</b>

**Miscellaneous Revenues** - This includes smaller sources of State Highway Fund revenue, including proceeds from the sale of state property, interest, damage awards, and permit sales.

**Bustang** - Bustang is an interregional bus service operated by the Department that connects commuters along the I-25 Front Range and I-70 Mountain Corridors. Bustang links local transit systems together and addresses demand for reliable transit alternatives along the highest traveled corridors of the state. The primary source of Bustang revenue is fare revenue.

### Other CDOT Cash Fund Revenue

In addition to the revenue that goes to the State Highway Fund, CDOT receives revenue to several other cash funds. These revenues are typically dedicated to specific purposes, and are explained in greater detail below.

**Aeronautics Fund** - This includes revenue from aviation gasoline excise taxes and fuel sales taxes. This funding is continuously appropriated. The revenue in the aeronautics fund is allocated by the Colorado Aeronautical Board.

**Multimodal Transportation and Mitigation Options Fund (MMOF)** - This cash fund includes funds transferred to the MMOF from the General Fund, as well as revenue from the Retail Delivery Fee. Of the revenue to this fund, 85% is granted out to local entities and 15% is retained by the state for Bustang operations.

**Law Enforcement Assistance Fund** - Every person who is convicted of, or pleads guilty to, driving under the influence (DUI) pays a fine of \$75, of which \$60 is credited to the Law Enforcement Assistance Fund (LEAF). After appropriations to the Colorado Department of Public Health and Environment (CDPHE) and the Colorado Bureau of Investigation (CBI), the remainder of the funding is diverted to CDOT (80 percent) and the Department of Human Services (DHS) (20 percent). CDOT's portion of this funding is used to increase the law enforcement presence on public highways during periods of the year known to have a higher incidence of impaired driving.



**State Infrastructure Bank** - The Colorado State Infrastructure Bank (SIB) is a revolving fund created by the General Assembly that is authorized to make loans to public and private entities to facilitate the financing of transportation projects in the state.

**Marijuana Tax Cash Fund** - Each year, CDOT receives an appropriation for the Marijuana Tax Cash fund for impaired driving education and outreach.

### Legislative Initiatives

**General Fund Transfers** - This amount includes annual transfers from the General Fund to the State Highway Fund made pursuant to Senate Bill 21-260.

**Capital Construction Fund** - This amount includes any appropriations from the capital portion of the state's Long bill. Additional information on this funding is available in the next section.

## CDOT Enterprise Revenue Forecast

State enterprises are self-supporting, government-owned businesses that receive revenue in return for the provision of a good or service. This section outlines the major sources of revenue for CDOT's enterprises.

**Colorado Transportation Investment Office** - CTIO has the statutory power, among others, to impose tolls and other user fees, to issue bonds, and to enter into contracts with public and private entities to facilitate Public-Private Partnerships (P3s). Revenue to the Colorado Transportation Investment Office primarily includes toll and fine revenue from the state's express lanes.

SB 24-184 authorized the Colorado Transportation Investment Office to impose a Congestion Impact Fee on short-term rental vehicles. This fee can be implemented on or after January 1, 2025, and it starts at \$3.00 per day/per rental. Starting in FY 2025-26, this fee will be annually adjusted for inflation. Revenue from this fee must go toward completing, operating, and maintaining multimodal surface transportation infrastructure projects.



### Colorado Transportation Investment Office Revenue Forecast (millions)

Revenue Source	FY 2024-25	FY 2025-26	FY 2026-27
SB 24-184 Congestion Impact Fee	\$27.9	\$57.7	\$59.7
Managed Lane Revenue	\$0.5	\$0.5	\$0.5
Toll Revenue	\$48.7	\$114.5	\$136.5
Toll Violations	\$33.7	\$50.8	\$21.6
Service Charges	\$7.9	\$12.2	\$12.2
<b>CTIO Total</b>	<b>\$118.7</b>	<b>\$235.7</b>	<b>\$230.5</b>

**Bridge and Tunnel Enterprise** - The original business purpose of the Bridge and Tunnel Enterprise was to finance, repair, reconstruct, and replace any designated bridge in the state. Senate Bill 21-260 changed the scope of the enterprise to include the tunnel projects. This enterprise receives revenue from the Bridge Safety Surcharge, the Bridge and Tunnel Impact Fee, retail delivery fees, and federal sources.

### Bridge and Tunnel Enterprise Revenue Forecast (millions)

Revenue Source	FY 2024-25	FY 2025-26	FY 2026-27
Bridge Safety Surcharge	\$115.6	\$117.5	\$119.5
Bridge and Tunnel Impact Fee	\$27.4	\$34.7	\$42.1
Bridge and Tunnel Retail Delivery Fee	\$10.4	\$11.6	\$13.0
Build America Bonds Credit	\$0.0	\$0.0	\$0.0
FHWA Transfer from CDOT	\$9.6	\$15.0	\$15.0
Miscellaneous Enterprise Revenue	\$2.5	\$2.5	\$2.5
<b>Bridge and Tunnel Enterprise Total</b>	<b>\$165.5</b>	<b>\$181.2</b>	<b>\$192.0</b>

**Clean Transit Enterprise** - This enterprise was created by Senate Bill 21-260 to reduce and mitigate the adverse environmental impacts and health impacts of air pollution and greenhouse gas emissions by supporting the replacement of existing gasoline and diesel transit vehicles with electric motor vehicles. It receives revenue from retail delivery fees.

SB 24-230 created new oil and gas production fees to expand transit services and fund passenger rail projects. Revenue collected from this fee is deposited into three new cash funds created within the Clean Transit Enterprise. This fee is adjusted on a quarterly basis based on average oil and gas spot prices. To comply with Proposition 117, the enterprise will be required to reduce fees to ensure that the total revenue



collected by the enterprise does not exceed \$100 million over a five-year period between FY 2021-22 and FY 2025-26.

**Clean Transit Enterprise Revenue Forecast (millions)**

Revenue Source	FY 2024-25	FY 2025-26	FY 2026-27
Clean Transit Enterprise Fund	\$11.5	\$12.9	\$14.4
Local Transit Operations Cash Fund	\$0.0	\$38.9	\$68.6
Local Transit Grant Program Cash Fund	\$0.0	\$5.6	\$9.8
Rail Funding Program Cash Fund	\$0.0	\$11.1	\$19.6
<b>Clean Transit Enterprise Total</b>	<b>\$11.5</b>	<b>\$68.5</b>	<b>\$112.4</b>

**Nonattainment Area Air Pollution Mitigation Enterprise** - This enterprise was created by Senate Bill 21-260 to mitigate the environmental and health impacts of increased air pollution for motor vehicle emissions in nonattainment areas resulting from the growth in TNC rides and retail deliveries. It receives revenue from retail delivery fees and ride fees for trips using a transportation network company.

**Nonattainment Area Air Pollution Mitigation Enterprise Revenue Forecast (millions)**

Revenue Source	FY 2024-25	FY 2025-26	FY 2026-27
NAAPME Retail Delivery Fee	\$2.7	\$3.0	\$3.4
NAAPME Per Ride Fee	\$8.4	\$10.4	\$12.7
<b>Nonattainment Enterprise Total</b>	<b>\$11.1</b>	<b>\$13.4</b>	<b>\$16.1</b>

**Fuels Impact Enterprise** - This enterprise was created by SB 23-280 to improve the transportation of fuel and monitor vehicle emissions. The enterprise is funded by a Fuels Impact Reduction Fee of up to 0.6125 cents per gallon of fuel on licensed fuel excise tax distributors and licensed fuel distributors. The enterprise administers the Fuel Impacts Reduction Grant Program, which makes grants to certain entities for improving hazardous mitigation corridors and projects related to emergency response, environmental mitigation, or fuel transportation.



### Fuels Impact Enterprise Revenue Forecast (millions)

Revenue Source	FY 2024-25	FY 2025-26	FY 2026-27
Fuels Impact Reduction Fee	\$15.0	\$15.0	\$15.0
Fuels Impact Enterprise Total	\$15.0	\$15.0	\$15.0

## State Revenue Limits

TABOR, which was approved by voters in 1992, limits the amount of revenue that the state can retain and spend.

The statewide revenue forecasts from the Office of State Planning and Budget (OSPB) and Legislative Council Staff (LCS) are forecasting that state revenue will surpass the TABOR cap through at least FY 2025-26. In general, increasing cash fund revenue is putting pressure on the state budget. Since TABOR refunds are paid with General Funds, any increase in state cash fund revenue will decrease the availability of General Funds in future years.

The primary sources driving the increase in state cash fund revenue include transportation revenues from SB 21-260 fees, severance tax revenues, and several smaller cash funds. While surpassing the TABOR cap does not directly impact CDOT's revenue, there is a risk that the decreasing availability of General Funds may impact future General Fund transfers to State Highway Fund.

## Electric Vehicle Adoption

The number of electric vehicles in Colorado is expected to substantially increase in the coming decades. Colorado's current goal is to have 940,000 light-duty electric vehicles on the road by 2030. Increasing the number of electric vehicles on the road will have several impacts on state transportation revenue. While the Department expects revenue from taxes and fees on gasoline and diesel to decrease over time, additional revenue from the state's electric vehicle registration fees is expected to largely offset these revenue losses in future years.



## Comparison of Fuel Tax and Fee Revenue to Electric Vehicle Registration Fee Revenue

