Regional Transportation Committee

Meeting date: August 4, 2026

Agenda Item #: 8 (Attachment F)

Initiative 175 Briefing

Agenda item type: Informational Briefing

Summary
DRCOG's contract lobbyists will provide a briefing on Initiative 175 and the related House Bill 26-1430 regarding potential transportation funding implications.

Background
Initiative 175, which has qualified for the November 2026 ballot, proposes amending the Colorado Consitution to require that certain transportation-related state taxes and fees are only used for road construction and maintenance projects, and to fund Colorado State Patrol.

According to the latest analysis of the ballot measure by state Legislative Council staff, Initiative 175 requires all state sales and excise taxes on motor vehicles and fuel, plus two thirds of sales taxes collected on vehicle parts and accessories, be spent exclusively on road transportation. These revenues would be restricted to four uses:

- Construction and maintenance of public roads.
- Design and engineering costs for road projects.
- Safety improvements for motor vehicles on public roads.
- Colorado State Patrol operations.

According to Legislative Council staff analysis, "while the state constitution already requires revenue from some of these vehicle-related taxes and fees to be spent on roads and road safety, other impacted revenue streams are currently spent on general government operations, transit, and other transportation programs. If the measure passes, the state and local governments receiving money would be required to spend all those dollars on roads and road safety."

If passed, Initiative 175 would take effect in January 2027. However, the General Assembly passed House Bill 26-1430 (HB 26-1430), which would temporarily reduce fuel exise taxes, registration fees, and other transportation-related charges through June 2030 if Initiative 175 passes. HB 26-1430's temporary reduction in taxes and fees roughly offsets the new spending requirements accordinging to Legislative Council staff analysis, maintaining funding for roads and general government operations near current levels, while diverting funds away from transit and other transportation programs and reducing taxpayer refunds.

DRCOG's contract lobbyists will provide a briefing on Initiative 175 and HB 26-1430 and their combined impact on future transportation revenues.

Action by others
None.

Previous discussion/action
None.

Recommendation
None.

Attachment(s)
None.

For more information
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