



Fiscal Note

Legislative Council Staff

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HB 26-1032: FALLEN FIREFIGHTER SPECIAL LICENSE PLATE

Prime Sponsors:

Rep. Richardson; Velasco
Sen. Pelton B.

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Fiscal note status: The fiscal note reflects the introduced bill.

Summary Information

Overview. The bill creates the Fallen Firefighter special license plate.

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

- State Expenditures
- State Revenue
- TABOR Refunds
- Local Government

Appropriations. For FY 2026-27, the bill requires an appropriation of \$30,376 to the Department of Revenue.

Table 1
State Fiscal Impacts

Type of Impact	Budget Year FY 2026-27	Out Year FY 2027-28
State Revenue (Cash Funds)	\$100,375	\$108,086
State Expenditures (Cash Funds)	\$30,376	\$24,686
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$100,375	\$108,086
Change in State FTE	0.0 FTE	0.0 FTE

Summary of Legislation

The bill creates the Fallen Firefighter special license plate, which is available to all applicants who make a donation to an approved nonprofit that provides services to the families of firefighters killed in the line of duty. Applicants must also pay two one-time fees of \$25, in addition to standard license plate fees and taxes, to the Department of Revenue (DOR). The license plate is available starting January 1, 2027, or when the department is able to issue the plates.

Assumptions

Demand for this new plate is assumed to be similar to the demand for the Fallen Heroes license plate. For the Fallen Heroes plate, 1,549 plates were issued in the first year of availability and 1,668 were issued in the second year.

State Revenue

The bill increases state cash fund revenue to the DOR by an estimated \$100,000 in FY 2026-27, \$108,000 in FY 2027-28, and similar amounts in future years. This revenue, which is subject to TABOR, is discussed below and shown in Tables 2 and 2A.

Table 2
State Revenue
Department of Revenue

Fund Source	Budget Year FY 2026-27	Out Year FY 2027-28
Highway Users Tax Fund (\$25.00) (see Table 2A)	\$38,725	\$41,700
DRIVES Cash Fund (\$25.00)	\$38,725	\$41,700
License Plate Cash Fund (\$14.80)	\$22,925	\$24,686
Total Revenue	\$100,375	\$108,086

Department of Revenue

Special License Plate Fees

Applicants for the Fallen Firefighter special license plate are required to pay an additional \$50 in fees, of which \$25 is credited to the Highway Users Tax Fund (HUTF) and \$25 is credited to the DRIVES Cash Fund, as shown in Table 2.

Standard License Plate Fees

Upon registration, all vehicle owners must pay a plate and tab production fee of \$14.80 for a digital passenger vehicle plate set in FY 2026-27 and beyond. All specialty plates are manufactured as digital plates, and the fiscal note assumes motorcycle issuance will be minimal. Fees from plate and tab production are credited to the License Plate Cash Fund (LPCF).

Highway Users Tax Fund Distributions

Of the HUTF revenue generated under this bill, 65 percent is credited to the State Highway Fund (SHF) for expenditure by the Department of Transportation, 26 percent is credited to counties, and 9 percent is credited to municipalities. Table 2A outlines the estimated distribution of HUTF revenue generated under this bill.

Table 2A
HUTF Distributions
Department of Transportation and Local Governments

HUTF Distributions	FY 2026-27	FY 2027-28
State Highway Fund (65 percent)	\$25,171	\$27,105
Counties (26 percent)	\$10,069	\$10,842
Municipalities (9 percent)	\$3,485	\$3,753
Total HUTF Distribution	\$38,725	\$41,700

State Expenditures

The bill increases state cash fund expenditures in the Department of Revenue by about \$30,000 in FY 2026-27 and \$25,000 in FY 2027-28. These costs are summarized in Table 3 and discussed below.

Table 3
State Expenditures
Department of Revenue

Cost Component	Budget Year FY 2026-27	Out Year FY 2027-28
Plate and Tab Production	\$23,175	\$24,686
DRIVES Programming	\$7,201	\$0
Total Costs	\$30,376	\$24,686
Total FTE	0.0 FTE	0.0 FTE

Department of Revenue

The DOR will have costs to produce the new plates, perform computer system changes, and make other updates, as outlined below.

Plate and Tab Production

As discussed in the State Revenue section, plate tab and production costs for special group plate sets are \$14.80 per set in FY 2026-27 and subsequent years. Based on the assumed number of plates, this will increase costs by the amounts shown in Table 3 above. In addition, Colorado Correctional Industries will receive a one-time fee of \$250 for designing the plate. Plate and tab production costs are paid from the LPCF.

DRIVES Programming

The bill requires \$7,201 in FY 2026-27 to update the DRIVES system with the license plate. Programming costs include \$5,200 for 20 hours of programming at a rate of \$260, plus \$451 for an estimated 11 hours of testing at a rate of \$41 per hour. The Office of Information Technology (OIT) support requirements are estimated at a rate of \$108 per hour for 6 hours, which will be allocated to DOR and paid to OIT via real time billing.

Training and Materials Updates

DOR will be required to update rules, forms, manuals, and the department's website to include the license plate. The DOR will also provide training to authorized agents, Title and Registration Section staff, and law enforcement. Any workload increases or costs associated with these activities can be accomplished within existing appropriations.

TABOR Refunds

The bill is expected to increase the amount of state revenue required to be refunded to taxpayers by the amounts shown in Table 1 above. The bill does not change current expectations that the state will be below its revenue limit in the current FY 2025-26. This estimate assumes the December 2025 LCS revenue forecast. A forecast of state revenue subject to TABOR is not available beyond FY 2027-28. Because TABOR refunds are paid from the General Fund, increased cash fund revenue will reduce the amount of General Fund available to spend or save in FY 2026-27, FY 2027-28, and any future years when the state is over its revenue limit.

Local Government

The bill will increase local government HUTF revenue by the amount shown Table 2A. HUTF revenue generated by license plate fees is distributed to counties (26 percent) and municipalities (9 percent) for transportation needs.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State Appropriations

For FY 2026-27, the bill requires an appropriation of \$30,376 to the Department of Revenue. Of this total:

- \$7,201 is from the DRIVES Cash Fund; and,
- \$23,175 is from the License Plate Cash Fund.

State and Local Government Contacts

Counties

Revenue

County Clerks

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).