



## Fiscal Note

### Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

## HB 26-1318: TRAFFIC SAFETY NEAR SCHOOLS

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**Prime Sponsors:**

Rep. Nguyen; Froelich

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**Fiscal note status:** This fiscal note reflects the introduced bill.

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### Summary Information

**Overview.** The bill expands the definition of school zone and limits the restrictions when placing an automated vehicle identification systems along a safe route to school.

**Types of impacts.** The bill is projected to affect the following areas on an ongoing basis starting in FY 2026-27:

- State Revenue
- State Expenditures
- Local Government

**Appropriations.** No appropriation is required as the State Highway Fund is continuously appropriated to the Department of Transportation. See Departmental Difference – State Appropriations section for additional information.

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**Table 1**  
**State Fiscal Impacts**

Type of Impact	Budget Year FY 2026-27	Out Year FY 2027-28
State Revenue	\$0	\$0
State Expenditures	\$498,434	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.8 FTE	0.0 FTE

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Fund sources for these impacts are shown in the tables below.

**Table 1A  
State Expenditures**

<b>Fund Source</b>	<b>Budget Year FY 2026-27</b>	<b>Out Year FY 2027-28</b>
General Fund	\$0	\$0
Cash Funds	\$482,340	\$0
Federal Funds	\$0	\$0
Centrally Appropriated	\$16,094	\$0
<b>Total Expenditures</b>	<b>\$498,434</b>	<b>\$0</b>
<b>Total FTE</b>	<b>0.8 FTE</b>	<b>0.0 FTE</b>

## Summary of Legislation

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Under current law, school zone areas are designated by the government having jurisdiction through signage placed indicating the particular roadway is a school zone. The bill makes all roadways within 1,000 feet of a school a school zone. Governments with jurisdiction must place signage in this 1,000-foot area indicating it is a school zone.

Additionally, under current law, a state or local government cannot issue a citation or civil penalty assessment notice for a violation detected through an automated vehicle identification system (AVIS) unless the violation occurred in specified areas, such as within a school zone or on a roadway by a park. This bill allows the use of AVIS to include violations along a safe route to school and permits the use of AVIS on these routes, which are defined as roadways frequented by pedestrians and bicyclists for going to school.

## Background

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The [Legislative Council Staff Motor Vehicle Handbook](#) outlines current permissible uses of AVIS and AVIS-related penalties.

## State Revenue

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Starting in FY 2026-27, if the route expansion for AVIS use leads to more traffic violations, state traffic offense fines and related court fees will increase to the Highway Users Tax Fund (HUTF) and the Judicial Department. Revenue increases will depend on the use of AVIS in school routes, and cannot be estimated. Traffic offense fine and court fee revenue is subject to TABOR.

## State Expenditures

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The bill increases state expenditures in the Colorado Department of Transportation (CDOT) by \$500,000 in FY 2026-27 only. These costs, paid from the State Highway Fund, are summarized in Table 2 and discussed below. The bill also minimally affects workload in the Judicial Department and the Department of Revenue.

**Table 2**  
**State Expenditures**  
**Department of Transportation**

<b>Cost Component</b>	<b>Budget Year FY 2026-27</b>	<b>Out Year FY 2027-28</b>
Personal Services	\$48,316	\$0
Operating Expenses	\$1,024	\$0
Capital Outlay Costs	\$7,000	\$0
Signage	\$426,000	\$0
Centrally Appropriated Costs	\$16,094	\$0
<b>Total Costs</b>	<b>\$498,434</b>	<b>\$0</b>
<b>Total FTE</b>	<b>0.8 FTE</b>	<b>0.0 FTE</b>

### Department of Transportation

The department will have staff and signage costs in FY 2026-27 only to ensure the requirements for school zone areas are met.

#### Staff

It is unknown how many school zones under the bill will include state highways and require CDOT to take action; actual costs may be higher depending on the exact number. However, the current CDOT inventory of school zone signs is 1,700. Assuming six signs per actual school zone, this means about 283 school zones are currently adjacent to a state highway. CDOT requires a total of 0.8 FTE Transportation Maintenance I to evaluate each school zone to determine if current signage is sufficient for the bill's requirements, to relocate existing signs, and to install any new signs needed. This staff will be term-limited for FY 2026-27. Amounts above include standard operating and capital outlay costs, and are prorated for a September 1, 2026, start date.

CDOT workload may additionally increase if more AVIS systems are installed in school zones along state highways; this workload increase is expected to be minimal, and no change in appropriations is required.

## Signage

It is estimated that 25 percent of school zones, or about 71, will require the installation of at least two new signs. A standard sign costs \$3,000. The total cost for new signage is \$426,000.

## Judicial Department and Department of Revenue

Starting in FY 2026-27, workload will increase in the trial courts of the Judicial Department and the Department of Revenue if more traffic offense violations occur, and result in additional required court appearances, or administrative actions by the Department of Revenue. It is assumed that most drivers will follow the law, and that any increase in workload will be minimal. No change in appropriations is required.

## Centrally Appropriated Costs

Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which may include employee insurance, supplemental employee retirement payments, indirect cost assessments, and other costs, are shown in Table 2 above.

## Local Government

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Similar to the state, workload and costs will increase for local governments to assess current school zone areas, and relocate or install additional signage where necessary. Workload and costs are likely similar to the estimates for CDOT, and will vary by jurisdiction. Additionally, workload and costs will increase if a local government chooses to install an AVIS system on a safe route to school. Finally, to the extent additional traffic fine revenue is collected to the HUTF, revenue will increase; HUTF revenue generated by traffic fines is distributed to counties (26 percent) and municipalities (9 percent) for transportation needs.

## Effective Date

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

## **Departmental Difference – State Appropriations**

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CDOT asserts that the cost of the bill cannot be absorbed by the State Highway Fund, and requires a General Fund appropriation of \$482,340 in FY 2026-27.

While the use of the State Highway Fund for this bill may reduce funding available for the Transportation Commission to allocate for road maintenance and other projects, the fiscal note assumes that the State Highway Fund will be used. However, the General Assembly, at its discretion, may choose to appropriate General Fund for this purpose.

## **State and Local Government Contacts**

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Judicial

Revenue

Local Affairs

Transportation

Public Safety