Transportation & Telecommunications

HUTF distribution bill	
Park County	
Preferred Contact:	Jason Gemmer Park County Jason.gemmer@parkcountyco.gov
Co-Sponsoring Counties/Commissioners:	N/A
Who is your subject matter expert?	Jason Gemmer Park County Commissioner 719-839-9527, Jason.gemmer@parkcountyco.gov
Has this proposal been approved by your BoCC?	Yes.
Supplemental Materials	https://ccionline.org/wp-content/uploads/2026/07/Park.HUTF_Distribution_Bill_Amended-002.pdf
Have you reviewed the CCI Instructional Memo?	Yes.
Describe the problem your proposal will solve.	County aligned funds from HUTF.
Areas of Impact:	Day-today Operations
What is the ultimate source of this problem?	Funding shortfall and Problematic rulemaking.
What is your initial proposal to solve this problem?	The proposal modernizes Colorado's Highway Users Tax Fund (HUTF) distribution formula to better reflect the actual responsibility of maintaining local transportation infrastructure. The current allocation relies heavily on population, which disadvantages rural counties that maintain extensive road networks serving statewide commerce, agriculture, tourism, emergency services, and recreation. The proposal would: •Shift HUTF distributions to a blended formula that emphasizes certified road mileage while retaining a population component. •Establish a minimum annual allocation for every county to ensure basic transportation funding. •Create a fair road usage assessment for electric vehicles so all roadway users contribute to highway maintenance. •Improve accountability through annual road mileage certification, dispute resolution procedures, and periodic fiscal and performance reviews. •Phase implementation over multiple years to reduce fiscal disruption for local governments.

	This proposal is intended to create a more equitable, sustainable, and defensible funding model while maintaining compliance with the Colorado Constitution and federal transportation funding requirements.
Please provide sample language for this solution.	Sample statutory language includes: •Amend C.R.S. §43-4-208 to replace the existing county allocation formula with a blended distribution based upon: o70% Certified Primary Road Mileage o5% Certified Secondary Road Mileage o25% County Population •Establish a minimum annual county allocation of $250,000 prior to formula distribution. •Deposit all electric vehicle road usage assessment revenues into the Highway Users Tax Fund for distribution under the revised formula. •Require annual CDOT certification of county road mileage, establish an administrative appeal process through the Transportation Commission, and require periodic performance audits. (The complete statutory language is contained within the attached draft legislation.)
Are there any solutions that do not require state-level legislation? Has your county explored these alternatives?	To the best of our knowledge, no meaningful long-term solution exists without legislative action. While counties continually seek efficiencies through improved asset management, grant opportunities, and local budgeting, counties have no authority to modify the statutory HUTF allocation formula. Local governments cannot independently address the structural inequity created by the current distribution methodology. Because the allocation formula is established in state statute, legislative action is necessary to provide a permanent statewide solution.
Has CCI or any other organizations sought a solution to this problem before?	Colorado Counties Inc. (CCI), county commissioners, CDOT, and other transportation stakeholders have discussed HUTF funding and transportation finance over many years. Previous efforts have generally focused on increasing transportation revenues rather than modernizing the distribution formula itself. While transportation funding has periodically increased through legislation and ballot measures, the underlying allocation methodology has remained largely unchanged. As a result, counties with extensive roadway systems continue to experience funding disparities relative to their maintenance obligations This proposal seeks to address that structural imbalance while preserving statewide transportation funding stability.

What possible organization(s) would ***support*** your proposed solution?	•Colorado Counties Inc. (CCI) •County Commissioners throughout rural Colorado •County Road and Bridge Departments •Colorado Association of Road Supervisors and Engineers (CARSE) •Colorado Farm Bureau •Colorado Cattlemen's Association •Colorado Wool Growers Association •Colorado Association of Conservation Districts •Rural economic development organizations •Emergency service providers that depend upon county roads •Tourism and outdoor recreation communities that rely on rural transportation infrastructure
What possible organization(s) would ***oppose*** your proposed solution?	Potential opposition may include: •Larger metropolitan municipalities that would receive a reduced percentage under the revised allocation formula. •Organizations representing urban local governments. •Electric vehicle advocacy organizations if they oppose additional EV road usage assessments. •Some environmental organizations concerned about additional registration fees on electric vehicles. •Potential concerns from CDOT if reductions to the state HUTF share affect statewide transportation programming.
Have you spoken with any legislators about your proposed solution? If so, what was their response?	At this time, discussions with legislators are ongoing. The proposal is being refined prior to formal introduction, and additional stakeholder outreach is anticipated before the October Legislative Committee meeting. Feedback received thus far has generally recognized the need to revisit the current funding formula while emphasizing the importance of protecting statewide transportation funding and minimizing impacts on existing recipients.
What are the financial implications of this ***problem*** to your county? Are there any financial implications to this ***solution*** either?	The current HUTF formula results in counties with extensive roadway systems receiving funding that does not adequately reflect their maintenance responsibilities. This contributes to deferred maintenance, increasing construction costs, and greater long-term infrastructure liabilities. For counties such as Park County, improved funding alignment would: •Better match revenue with maintenance obligations. •Improve long-term pavement preservation. •Reduce deferred maintenance costs. •Improve budgeting certainty through predictable annual allocations. •Better support emergency response and public safety infrastructure. Implementation would require administrative coordination with CDOT for mileage certification; however, these costs are expected to be modest compared to the long-term funding benefits.

What are the financial implications of this ***problem*** to any other impacted parties? What are the financial implications of this ***solution*** to any other impacted parties? *Please consider any relevant Colorado State Departments.*	The proposal redistributes existing HUTF revenues rather than creating a significant new tax structure, although it establishes a reasonable electric vehicle road usage assessment to ensure equitable user contributions. Potential impacts include: •Some larger municipalities may experience slower growth or reductions in future HUTF distributions under the revised formula. •CDOT may experience adjustments to its share, which is why the proposal requires a comprehensive fiscal impact analysis before implementation. •The Department of Revenue would incur limited administrative costs to collect EV assessments. •CDOT would administer annual mileage certification, reporting, and oversight. •Rural counties would receive funding more closely aligned with the infrastructure they maintain, improving transportation system preservation and reducing long-term statewide maintenance costs. These responses closely follow the intent and content of your HUTF bill while presenting them in the format typically expected by Colorado Counties Inc. for legislative proposal submissions. They should provide a strong foundation for the October Legislative Committee review.
Staff Feedback	<u>Risk / Difficulty:</u> <u>Time Commitment:</u>