Colorado Transportation Investment Office Memorandum

To: CTIO Board of Directors
From: Meredith Moon, Deputy Director, CTIO
Date: July 15, 2026

Subject: SB-24-184 Revenue and Project Analysis

Purpose:

This memo provides information to the Colorado Transportation Investment Office (CTIO) Board of Directors (the Board) regarding initial revenue and expenditure analysis associated with the Congestion Impact Fee implemented by Senate Bill 24-184.

Requested Action

No action is requested at this time. This item is informational only.

Background:

This presentation includes a background on:

Senate Bill (SB) 24-184 Overview

The passage of SB 24-184 implemented the Congestion Impact Fee imposed on daily rental car transactions at an initial rate of $3.00, adjusted for a five-year backward looking inflation average starting in fiscal year 2026-27. The stated goal of the fee is to reduce congestion on Colorado's roads by using the fee revenue to help fund multimodal transportation projects. The legislation also required CTIO to produce and submit various reports evaluating potential multimodal projects, federal funding options, and revenue analyses.

Congestion Impact Fee Revenue and Forecast

The congestion impact fee is one of several fees or taxes imposed on rental cars in Colorado. Approximately 55% of the fee is collected from vehicles rented at airports in the state, while the remaining 45% is collected from vehicles rented everywhere else. Leisure and business travel drive airport rentals, while other, more structural economic factors impact resident rentals like population growth, employment and wages, and need-based rentals due to accidents or weather-related repairs.

Actual revenue collections of the congestion impact fee are lower than the projections in the fiscal note associated with SB 24-184 likely as a result of a softening of economic conditions in the state and country.

SB 24-184 Long-term Project Costs

There are two primary projects anticipated to leverage congestion impact fee revenue. The first is the Joint Service rail project in conjunction with the Regional Transportation District (RTD) that will run from Denver to Fort Collins. The second rail project runs through the mountains from Denver to Winter Park, Fraser, and Granby, with future expansion to the Yampa Valley. A portion of the funding is contemplated to help support CDOT's inter-city bus services.

CTIO and CDOT's Division of Transit and Rail have obtained initial capital and operating costs for both rail projects. These costs reflect the information at this point in time and will be updated as additional information is obtained.

Next Steps:

- CTIO staff will continue refining the SB 24-184 financial analysis and update the Board on new revenue forecasts and project costs as they arise.

Attachments:

- **Attachment A:** Senate Bill 24-184 Revenue and Project Analysis slide deck.