

**First Regular Session  
Seventy-first General Assembly  
STATE OF COLORADO**

**INTRODUCED**

LLS NO. 17-0946.01 Jery Payne x2157

**HOUSE BILL 17-1205**

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**HOUSE SPONSORSHIP**

**Melton, Pabon**

**SENATE SPONSORSHIP**

**Martinez Humenik,**

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**House Committees**  
Business Affairs and Labor

**Senate Committees**

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**A BILL FOR AN ACT**

101 **CONCERNING CHANGING THE DEFINITION OF "SALVAGE VEHICLE".**

**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)*

The bill changes the definition of "salvage vehicle" from when the cost of repairing the vehicle to a roadworthy condition exceeds the fair market value immediately prior to the damage to when an insurer determines the vehicle to be a total loss. The bill also adds theft damage as an exclusion to the types of damage that can cause a vehicle to be a salvage vehicle.

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Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.*  
*Dashes through the words indicate deletions from existing statute.*

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 42-6-102, **amend**  
3 (17)(a)(I)(C); and **repeal** (17)(b) as follows:

4 **42-6-102. Definitions.** As used in this part 1, unless the context  
5 otherwise requires:

6 (17) (a) (I) "Salvage vehicle" means:

7 (C) A vehicle that is damaged by collision, fire, flood, accident,  
8 trespass, or other occurrence, excluding hail damage OR THEFT, to the  
9 extent that the ~~cost of repairing the vehicle to a roadworthy condition and~~  
10 ~~for legal operation on the highways exceeds the vehicle's retail fair~~  
11 ~~market value immediately prior to the damage, as determined by the~~  
12 ~~person who owns the vehicle at the time of the occurrence or VEHICLE IS~~  
13 ~~DETERMINED TO BE A TOTAL LOSS by the insurer or other person acting on~~  
14 behalf of the owner.

15 (b) ~~In assessing whether a vehicle is a "salvage vehicle" under this~~  
16 ~~section, the retail fair market value shall be determined by reference to~~  
17 ~~sources generally accepted within the insurance industry including price~~  
18 ~~guide books, dealer quotations, computerized valuation services,~~  
19 ~~newspaper advertisements, and certified appraisals, taking into account~~  
20 ~~the condition of the vehicle prior to the damage. When assessing the~~  
21 ~~repairs, the assessor shall consider the actual retail cost of the needed~~  
22 ~~parts and the reasonable and customary labor rates for needed labor.~~

23 **SECTION 2. Act subject to petition - effective date -**  
24 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following  
25 the expiration of the ninety-day period after final adjournment of the  
26 general assembly (August 9, 2017, if adjournment sine die is on May 10,  
27 2017); except that, if a referendum petition is filed pursuant to section 1

1 (3) of article V of the state constitution against this act or an item, section,  
2 or part of this act within such period, then the act, item, section, or part  
3 will not take effect unless approved by the people at the general election  
4 to be held in November 2018 and, in such case, will take effect on the  
5 date of the official declaration of the vote thereon by the governor.

6 (2) This act applies to motor vehicle damage occurring on or after  
7 the applicable effective date of this act.