A BILL FOR AN ACT


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/.)

Sunset Process - Senate Business, Labor, and Technology Committee. The bill implements many of the recommendations of the
Continues the regulation of motor vehicle and powersports vehicle sales until September 1, 2027;

Codifies the auto industry division in statute under the department of revenue and changes the authority to enforce the regulation of the licensing of vehicle sellers from the executive director of the department of revenue to the director of the division;

Requires a licensing application when a licensed business entity acquires a new owner;

Subjects the license of a dealer to discipline when the owner is acting as a salesperson and violates the law governing salespersons;

Repeals the statute that makes a salesperson's license dependent on employment by a dealer;

Requires a fingerprint-based criminal history record check for all licensees; and

Requires people who have had licenses revoked to wait one year before applying for a new license.

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

SECTION 1. In Colorado Revised Statutes, 24-34-104, repeal (12)(a)(II) and (12)(a)(III); and add (28) as follows:

24-34-104. General assembly review of regulatory agencies and functions for repeal, continuation, or reestablishment - legislative declaration - repeal. (12) (a) The following agencies, functions, or both, will repeal on July 1, 2017:

(II) The motor vehicle dealer board created in section 12-6-103, C.R.S., and the functions of the executive director of the department of revenue, including licensing, specified in part 1 of article 6 of title 12, C.R.S.;

(III) The regulation of powersports vehicles by the motor vehicle dealer board created in section 12-6-103, C.R.S.;

(28) (a) The following agencies, functions, or both, are
SCHEDULED FOR REPEAL ON SEPTEMBER 1, 2027:


(b) THIS SUBSECTION (28) IS REPEALED, EFFECTIVE SEPTEMBER 1, 2029.

SECTION 2. In Colorado Revised Statutes, repeal 12-6-124 as follows:

12-6-124. Repeal of article. This article is repealed, effective July 1, 2017. Prior to such repeal, the motor vehicle dealer board and the functions of the executive director, including licensing, shall be reviewed as provided for in section 24-34-104, C.R.S.

SECTION 3. In Colorado Revised Statutes, add 12-6-132 as follows:

12-6-132. Repeal of part. This PART 1 IS REPEALED, EFFECTIVE SEPTEMBER 1, 2027. BEFORE ITS REPEAL, THIS PART 1 IS SCHEDULED FOR REVIEW IN ACCORDANCE WITH SECTION 24-34-104.

SECTION 4. In Colorado Revised Statutes, add 12-6-214 as follows:

12-6-214. Repeal of part. This PART 2 IS REPEALED, EFFECTIVE SEPTEMBER 1, 2027. BEFORE ITS REPEAL, THIS PART 2 IS SCHEDULED FOR REVIEW IN ACCORDANCE WITH SECTION 24-34-104.

SECTION 5. In Colorado Revised Statutes, add 12-6-304 as follows:

12-6-304. Repeal of part. This PART 3 IS REPEALED, EFFECTIVE
SEPTEMBER 1, 2027. BEFORE ITS REPEAL, THIS PART 3 IS SCHEDULED FOR REVIEW IN ACCORDANCE WITH SECTION 24-34-104.

SECTION 6. In Colorado Revised Statutes, repeal 12-6-533 as follows:

12-6-533. Repeal of part. This part 5 is repealed, effective July 1, 2017. Prior to the repeal, the functions of the motor vehicle dealer board and the executive director under this part 5, including licensing, shall be reviewed as provided for in section 24-34-104, C.R.S.

SECTION 7. In Colorado Revised Statutes, add 12-6-538 as follows:

12-6-538. Repeal of part. This part 5 is repealed, effective September 1, 2027. Before its repeal, this part 5 is scheduled for review in accordance with section 24-34-104.

SECTION 8. In Colorado Revised Statutes, amend 12-6-102 as follows:

12-6-102. Definitions. As used in this part 1, and in part 5 of this article, unless the context or section 12-6-502 otherwise requires:

(1) (Deleted by amendment, L. 92, p. 1841, § 2, effective July 1, 1992.)

(1.5) (1) "ADVERTISE" OR "advertisement" means any commercial message in any newspaper, magazine, leaflet, flyer, or catalog, on radio, television, or a public address system, in direct mail literature or other printed material, on any interior or exterior sign or display, in any window display, on a computer display, or in any point-of-transaction literature or price tag that is delivered or made available to a customer or prospective customer in any manner; whatever; except that such THE term does not
include materials required to be displayed by federal or state law.

(2) "Board" means the motor vehicle dealer board.

(2.4) (3) "Business incidental thereto" means a business owned by
the motor vehicle dealer or used motor vehicle dealer related to the sale
of motor vehicles, including without limitation, motor vehicle part sales,
motor vehicle repair, motor vehicle recycling, motor vehicle security
interest assignment, and motor vehicle towing.

(2.5) (a) (I) (4) (a) "Buyer agent" means any person required to be
licensed pursuant to this part 1 who is retained or hired by a consumer for
a fee or other thing of value to assist, represent, or act on behalf of such
the consumer in connection with the purchase or lease of a motor
vehicle.

(II) "Consumer", as used in this subsection (2.5), means a
purchaser or lessee of a motor vehicle, which vehicle is primarily used for
business, personal, family, or household purposes. "Consumer" does not
include a purchaser of motor vehicles who purchases said motor vehicles
primarily for resale.

(b) (I) "Buyer agent" does not include a person whose business
includes the purchase of motor vehicles primarily for resale or lease;
except that nothing in this subsection (2.5) shall be construed to prohibit
(4) PROHIBITS a buyer agent from assisting a consumer regarding the
disposal of a trade-in motor vehicle that is incident to the purchase or
lease of a vehicle if the buyer agent does not advertise the sale of, or sell,
such the vehicle to the general public, directs interested dealers and
wholesalers to communicate their offers directly to the consumer or to the
consumer via the buyer agent, does not handle or transfer titles or funds
between the consumer and the purchaser, receives no compensation from
a dealer or wholesaler purchasing a consumer's vehicle, and identifies himself or herself as a buyer agent to dealers and wholesalers interested in the consumer's vehicle.

(II) A "buyer agent" licensed pursuant to this part 1 shall not be employed by or receive a fee from a person whose business includes the purchase of motor vehicles primarily for resale or lease, a motor vehicle manufacturer, a motor vehicle dealer, or a used motor vehicle dealer.

(3) "Coerce" means to compel or attempt to compel by threatening, retaliating, or exerting economic force or by not performing or complying with any terms or provisions of the franchise or agreement; except that recommendation, exposition, persuasion, urging, or argument shall not be deemed to constitute coercion.

(4) "Community" means a franchisee's area of responsibility as set out in the franchise:

(6) "CONSUMER" MEANS A PURCHASER OR LESSEE OF A MOTOR VEHICLE USED FOR BUSINESS, PERSONAL, FAMILY, OR HOUSEHOLD PURPOSES. "CONSUMER" DOES NOT INCLUDE A PURCHASER OF MOTOR VEHICLES PRIMARILY FOR RESALE.

(4.5) (7) (a) "Custom trailer" means any motor vehicle which is not driven or propelled by its own power and is designed to be attached to, become a part of, or be drawn by a motor vehicle and which is uniquely designed and manufactured for a specific purpose or customer.

(b) "Custom trailer" does not include manufactured housing, farm tractors, and other machines and tools used in the production, harvest, and care of farm products.
"Director" means the director of the Auto Industry Division created in Section 12-6-105.

"Distributor" means a person, resident or nonresident, who, in whole or in part, sells or distributes new motor vehicles to motor vehicle dealers or who maintains distributor representatives.

"Executive director" means the executive director of the department of revenue charged with the administration, enforcement, and issuance or denial of the licensing of buyer agents, distributors, manufacturer representatives, and manufacturers.

"Fire truck" means a vehicle intended for use in the extermination of fires, with features that may include but shall not be limited to, a fire pump, a water tank, an aerial ladder, an elevated platform, or any combination thereof.

"Franchise" means the authority to sell or service and repair motor vehicles of a designated line-make granted through a sales, service, and parts agreement with a manufacturer, distributor, or manufacturer representative.

"Good faith" means the duty of each party to any franchise and all officers, employees, or agents thereof to act in a fair and equitable manner toward each other so as to guarantee the one party freedom from coercion, intimidation, or threats of coercion or intimidation from the other party. Recommendation, endorsement, exposition, persuasion, urging, or argument shall not be deemed to
constitute a lack of good faith.1

(10.5)(14) "Line-make" means a group or series of motor vehicles
that have the same brand identification or brand name, based upon the
manufacturer's trademark, trade name, or logo.

(15) "Manufacturer" means any person, firm, association,
corporation, or trust, resident or nonresident, who manufactures or
assembles new and unused motor vehicles; except that "manufacturer"
shall does not include:

(a) Any A person who only manufactures utility trailers that weigh
less than two thousand pounds and does not manufacture any other type
of motor vehicle; and

(b) Any A person, other than a manufacturer operating a MOTOR
VEHICLE dealer pursuant to IN ACCORDANCE WITH section 12-6-120.5,
who is a licensed dealer selling motor vehicles that such THE person has
manufactured.

(1.5)(16) "Manufacturer representative" means a representative
employed by a person who manufactures or assembles motor vehicles for
the purpose of making or promoting the sale of its motor vehicles or for
supervising or contacting its dealers or prospective dealers.

(17) "Motor vehicle" means every vehicle intended primarily
for use and operation on the public highways that is self-propelled and
every vehicle intended primarily for operation on the public highways that
is not driven or propelled by its own power SELF-PROPELLED but is
designed to be attached to, or become a part of, or to be drawn by a
self-propelled vehicle, not including farm tractors and other machines and
tools used in the production, harvesting, and care of farm products.
"Motor vehicle" includes without limitation, a low-power scooter or
autocycle as either is defined in section 42-1-102. C.R.S.

(12.5) (Deleted by amendment, L. 92, p. 1841, § 2, effective July 1, 1992.)

(12.6) (18) "Motor vehicle auctioneer" means any person, not otherwise required to be licensed pursuant to this part 1, who is engaged in the business of offering to sell, or selling, used motor vehicles owned by persons other than the auctioneer at public auction only. Any auctioning of motor vehicles by an auctioneer shall MUST be incidental to the primary business of auctioning goods.

(13) (19) "Motor vehicle dealer" means a person who, for commission or with intent to make a profit or gain of money or other thing of value, sells, leases, exchanges, rents with option to purchase, offers, or attempts to negotiate a sale, lease, or exchange of an interest in new or new and used motor vehicles or who is engaged wholly or in part in the business of selling or leasing new or new and used motor vehicles, whether or not such THE motor vehicles are owned by such THE person. The sale or lease of three or more new or new and used motor vehicles or the offering for sale or lease of more than three new or new and used motor vehicles at the same address or telephone number in any one calendar year shall be IS prima facie evidence that a person is engaged in the business of selling or leasing new or new and used motor vehicles. "Motor vehicle dealer" includes an owner of real property who allows more than three new or new and used motor vehicles to be offered for sale or lease on such THE property during one calendar year unless said property is leased to a licensed motor vehicle dealer. "Motor vehicle dealer" does not include:

(a) Receivers, trustees, administrators, executors, guardians, or
other persons appointed by or acting under the judgment or order of any

(b) Public officers while performing their official duties;

(c) Employees of persons enumerated in the definition of a motor

vehicle dealer when engaged in the specific performance of their duties

as such employees;

(d) A wholesaler as defined in subsection (18) of this section, or

anyone selling motor vehicles solely to wholesalers;

(e) Any person engaged in the selling of a fire truck; OR

(f) A motor vehicle auctioneer, as defined in subsection (12.6) of

this section:

(14) (20) "Motor vehicle salesperson" means a natural person

who, for a salary, commission, or compensation of any kind, is employed

either directly or indirectly, regularly or occasionally, by a motor vehicle

dealer or used motor vehicle dealer to sell, lease, purchase, or exchange

or to negotiate SELLs, LEASES, PURCHASES, OR EXCHANGES MOTOR

VEHICLES OR WHO NEGOTIATES for the sale, lease, purchase, or exchange

of motor vehicles.

(21) "NEW MOTOR VEHICLE" MEANS A MOTOR VEHICLE THAT HAS

BEEN TRANSFERRED ON A MANUFACTURER'S STATEMENT OF ORIGIN AND

THAT HAS SUFFICIENTLY LOW MILEAGE TO BE CONSIDERED NEW, AS

DETERMINED BY THE BOARD.

(15) (22) "Person" means any natural person, estate, trust, limited

liability company, partnership, association, corporation, or other legal

entity, including without limitation, a registered limited liability

partnership.

(16) (23) "Principal place of business" means a site or location
devoted exclusively to the business for which the motor vehicle dealer or
used motor vehicle dealer is licensed, and businesses incidental thereto,
sufficiently designated to admit of definite description, with ADEQUATE
CONTIGUOUS space thereon or contiguous thereto adequate to permit the
display of one or more new or used motor vehicles, and on which there
shall be located or erected WITH a permanent enclosed building or
structure large enough to accommodate the office of the dealer and to
provide a safe place to keep the books and other records of the business
of such THE dealer, at which site or location the principal portion of such
THE dealer's business shall be conducted and the books and records
thereof kept and maintained; except that a dealer may keep its books and
records at an off-site location in Colorado after notifying the board in
writing of such THE location at least thirty days in advance.

(16.5) (24) "Recreational vehicle" means a camping trailer, fifth
wheel trailer, motor home, recreational park trailer, travel trailer, or truck
camper, all as defined in section 24-32-902, C.R.S., or multipurpose
trailer, as defined in section 42-1-102. C.R.S.

(16.6) (25) "Sales, service, and parts agreement" means an
agreement between a manufacturer, distributor, or manufacturer
representative and a motor vehicle or powersports dealer authorizing the
dealer to sell and service a line-make of motor or powersports vehicles or
imposing any duty on the dealer in consideration for the right to have or
competitively operate a franchise, including any amendments or
additional related agreements thereto. Each amendment, modification, or
addendum that materially affects the rights, responsibilities, or obligations
of the contracting parties creates a new sales, service, and parts
agreement.
"Site control provision" means an agreement that applies to real property owned or leased by a franchisee and that gives a motor vehicle or powersports vehicle manufacturer, distributor, or manufacturer representative the right to:

(a) Control the use and development of the real property;
(b) Require the franchisee to establish or maintain an exclusive dealership facility at the real property; or
(c) Restrict the franchisee from transferring, selling, leasing, developing, or changing the use of the real property.

"Used motor vehicle dealer" means any person who, for commission or with intent to make a profit or gain of money or other thing of value, sells, exchanges, leases, or offers an interest in used motor vehicles, or attempts to negotiate a sale, exchange, or lease of used and new motor vehicles, or who is engaged wholly or in part in the business of selling used motor vehicles, whether or not such the motor vehicles are owned by such the person. The sale of three or more used motor vehicles or the offering for sale of more than three used motor vehicles at the same address or telephone number in any one calendar year shall be is prima facie evidence that a person is engaged in the business of selling used motor vehicles. "Used motor vehicle dealer" includes any an owner of real property who allows more than three used motor vehicles to be offered for sale on such the property during one calendar year unless said property is leased to a licensed used motor vehicle dealer. "Used motor vehicle dealer" does not include:

(a) Receivers, trustees, administrators, executors, guardians, or other persons appointed by or acting under the judgment or order of any court;
(b) Public officers while performing their official duties;

c) Employees of persons enumerated in the definition of a used motor vehicle dealer when engaged in the specific performance of their duties as such employees;

d) A wholesaler as defined in subsection (18) of this section; or anyone selling motor vehicles solely to wholesalers;

e) Mortgagees or secured parties as to sales in any one year of not more than twelve motor vehicles constituting collateral on a mortgage or security agreement, if the mortgagees or secured parties shall do not realize for their own account from such sales any money in excess of the outstanding balance secured by the mortgage or security agreement, plus costs of collection;

f) Any person who only sells or exchanges no more than four motor vehicles that are collector's items under part 3 or 4 of article 12 of title 42, C.R.S.;

g) A motor vehicle auctioneer; as defined in subsection (12.6) of this section; or

h) An operator, as defined in section 42-4-2102(5), C.R.S., who sells a motor vehicle pursuant to section 42-4-2104. C.R.S.

(17.5) (28) "Wholesale motor vehicle auction dealer" means any A person or firm that provides auction services in wholesale transactions in which the purchasers are motor vehicle dealers licensed by this state or any other jurisdiction or in consumer transactions of government vehicles at a time and place that does not conflict with a wholesale motor vehicle auction conducted by that licensee.

(18) (29) "Wholesaler" means a person who, for commission or with intent to make a profit or gain of money or other thing of value,
sells, exchanges, or offers or attempts to negotiate a sale, lease, or exchange of an interest in new or new and used motor vehicles solely to motor vehicle dealers or used motor vehicle dealers.

SECTION 9. In Colorado Revised Statutes, 12-6-104, amend (3)(a.5), (3)(d)(II), (3)(e)(I), (3)(f), (3)(k)(IV), and (3)(m)(I)(A) as follows:

12-6-104. Board - oath - meetings - powers and duties - rules.

(3) The board is authorized and empowered:

(a.5) To delegate to the board’s executive secretary, employed pursuant to section 12-6-105 (1)(b) (2)(b), the authority to execute all actions within the power of the board, carry out the directives of the board, and make recommendations to the board on all matters within the authority of the board;

(d) (II) To permit the executive director or the director’s designee, DIRECTOR to issue licenses pursuant to rules and regulations adopted by the board pursuant to paragraph (a) of this subsection (3) SUBSECTION (3)(a) OF THIS SECTION;

(e) (I) After due notice and a hearing, to review the findings of an administrative law judge or a hearing officer from a hearing conducted pursuant to this part 1 to revoke and suspend or to order the executive director to issue or to reinstate, on such terms and conditions and for such period of time as to the board shall appear fair and just, any license issued under and pursuant to the terms and provisions of this part 1. The board may direct a letter of admonition for minor violations or may issue a letter of reprimand to any licensee for a violation of this part 1. A letter of admonition does not become a part of the licensee's record with the board. A letter of reprimand is a part of the licensee's record with the board for
a period of two years after issuance and may be considered in aggravation of any subsequent violation by the licensee. When a letter of reprimand is sent to a licensee of the board, such the licensee shall be notified in writing regarding the right to request in writing, within twenty days after receipt of such letter, that formal disciplinary proceedings be initiated against such the licensee to adjudicate the propriety of the conduct upon which the letter of reprimand is based. If a request is made within such time the twenty-day period, the letter of reprimand is deemed vacated and the matter shall be processed by means of formal disciplinary proceedings.

(f) (I) To investigate through the executive director, on its own motion or upon the written and signed complaint of any person, any suspected or alleged violation by any A motor vehicle dealer, motor vehicle salesperson, used motor vehicle dealer, wholesale motor vehicle auction dealer, or wholesaler licensee of any of the terms and provisions of this part or of any rule or regulation promulgated by the board under the authority conferred upon it in this section. The board shall order an investigation of all written and signed complaints, shall have the authority to MAY issue subpoenas, and to MAY delegate the authority to issue subpoenas to the executive director, and the executive director shall make an investigation of all such complaints transmitted by the board pursuant to section 12-6-105 (1)(d) (3). The board has the authority to MAY seek to resolve disputes before beginning an investigation or hearing through its own action or by direction to the executive director.

(II) After an investigation by the executive director or the executive director's designee, if the board determines that there is probable cause to believe a violation of this article ARTICLE 6 has

-15-
occurred, it may order that an administrative hearing be held pursuant to section 24-4-105, C.R.S., or may designate one of the board's members as a hearing officer to conduct a hearing pursuant to section 24-4-105, C.R.S.

(k) (IV) To the board may require a licensee to include with a consumer sales contract a written notice that provides to the consumer the contact information of the board and information about the board's authority over consumer motor vehicle sales.

(m) (I) (A) If a hearing is held before an administrative law judge or a hearing officer designated by the board from within the board's membership, after due notice and a hearing by such judge or hearing officer pursuant to section 24-4-105, C.R.S., to review the findings of law and fact and the fairness of any fine imposed and to uphold such fine, to impose an administrative fine upon its own initiative, which shall not exceed ten thousand dollars for each separate offense by any licensee, or to vacate the fine imposed by the judge or hearing officer; except that, for motor vehicle dealers who sell primarily vehicles that weigh under one thousand five hundred pounds, the fine for each separate offense shall not exceed one thousand dollars after final action is taken on a hearing held before an administrative law judge or a hearing officer, to review the findings of law and fact and the fairness of any fine imposed and to uphold the fine, to impose an administrative fine upon its own initiative, not to exceed ten thousand dollars for each offense by any licensee, or to vacate the fine imposed by the judge or hearing officer; except that, for motor vehicle dealers who sell primarily motor vehicles that weigh under one thousand five hundred pounds, the fine for each separate offense must
NOT EXCEED ONE THOUSAND DOLLARS. Whenever a hearing is heard by
an administrative law judge, the maximum fine that may be imposed is
ten thousand dollars for each separate offense by any person licensed by
the board pursuant to UNDER this part 1; except that, for motor vehicle
dealers who sell primarily vehicles that weigh under one thousand five
hundred pounds, the fine for each separate offense may MUST not exceed
one thousand dollars. Whenever a licensing hearing is conducted by a
hearing officer, the sanctions that may be recommended by the hearing
officer are limited to the denial or grant of an unrestricted license or a
restricted license under such terms as the hearing officer deems
appropriate. Whenever a disciplinary hearing is conducted by a hearing
officer, the hearing officer may only recommend a probationary period of
no more than twelve months, a fine of no more than five hundred dollars,
or both such A probationary period and fine for each separate violation
committed by a person licensed by the board.

SECTION 10. In Colorado Revised Statutes, amend 12-6-105 as
follows:

12-6-105. Auto industry division - creation - powers and duties
of executive director and director. (1) THERE IS HEREBY CREATED IN
THE DEPARTMENT OF REVENUE THE AUTO INDUSTRY DIVISION, THE HEAD
OF WHICH IS THE DIRECTOR OF THE DIVISION. THE DIRECTOR IS APPOINTED
BY THE EXECUTIVE DIRECTOR OF THE DEPARTMENT AND SERVES AT THE
PLEASURE OF THE EXECUTIVE DIRECTOR. THE DIVISION SHALL EXERCISE
ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE
DEPARTMENT AS IF THE DIVISION WERE TRANSFERRED TO THE
DEPARTMENT BY A TYPE 2 TRANSFER AS DESCRIBED IN SECTION 24-1-105.

(1) (2) The executive director is hereby charged with the
administration, enforcement, and issuance or denial of the licensing of
buyer agents, distributors, manufacturer representatives, and motor
vehicle manufacturers, and shall have the following powers and
duties:

(a) To promulgate, amend, and repeal reasonable rules and
regulations relating to those functions the executive director is mandated
to carry out pursuant to this part 1 and the laws of the state of Colorado
that the executive director deems necessary to carry out the duties of the
office of the executive director pursuant to this part 1;

(b) To employ, subject to the laws of the state of Colorado and
after consultation with the board, an executive secretary for the board,
The executive secretary shall be accountable to the board and
shall, pursuant to delegation by the board, discharge the responsibilities
of the board under this part 1; The executive director may also employ
such clerks, deputies, and assistants as the executive director considers
necessary to discharge the duties imposed upon the executive director by
this part 1 and to designate the duties of such clerks, deputies, and
assistants:

(c) To issue and, for reasonable cause shown or upon satisfactory
proof of the unfitness of the applicant under standards established and set
forth in this part 1, to refuse to issue to any applicant any license the
executive director is authorized to issue by this part 1;

(d) To investigate upon the executive director's own initiative,
upon the written and signed complaint of any person, or upon request by
the board pursuant to section 12-6-104(3)(f)(I), any suspected or alleged
violation by any person licensed by the executive director pursuant to this
part 1 of any of the terms and provisions of this part 1 or of any rule or
regulation promulgated by the executive director under the authority conferred upon the executive director in this section;

(II) The investigators and their supervisors utilized by the executive director, pursuant to subparagraph (I) of this paragraph (d), while actually engaged in performing their duties, shall have the authority as delegated by the executive director to issue subpoenas in relation to performance of their duties relating to licensees who are under the jurisdiction of the executive director and the authority as delegated by the executive director to issue summonses for violations of sections 12-6-120 (2) and 42-6-142, C.R.S., to issue misdemeanor summonses for violations of section 12-6-119.5 (1)(a), and to procure criminal records during an investigation.

(e) (d) To prescribe the forms to be used for applications for licenses to be issued by the executive director under the provisions of this part 1 and to require of such applicants, as a condition precedent to the issuance of such licenses, such information concerning the applicant's fitness to be licensed under this part 1 as the executive director considers necessary;

(f) (e) (I) To summarily issue cease-and-desist orders on such terms and conditions and for such period of time as to the executive director appears fair and just to any person who is licensed by the executive director pursuant to this part 1 if such orders are followed by notice and a hearing pursuant to section 12-6-104 (3)(e)(I);

(II) To issue cease-and-desist orders to persons acting as motor vehicle manufacturers without the manufacturer's license required by this part 1; AND

(III) To impose a fine, not to exceed one thousand dollars per day,
for each violation of section 12-6-120 (1) after a notice and hearing subject to section 24-4-105. C.R.S:

(g) (Deleted by amendment, L. 92, p. 1847, § 5, effective July 1, 1992.)

(3) (a) The director may:

(I) Employ such clerks, deputies, and assistants as the director considers necessary to discharge the duties imposed upon the director or executive director by this part 1 and to designate the duties of such clerks, deputies, and assistants;

(II) Investigate, upon the director's own initiative, upon the written and signed complaint of any person, or upon request by the board under section 12-6-104 (3)(f)(I), any suspected or alleged violation by a person licensed under this part 1 or of any rule promulgated under this article 6.

(b) The investigators and their supervisors utilized by the director, while actually engaged in performing their duties, have the authority as delegated by the director to issue subpoenas in relation to performance of their duties enforcing this part 1 and the authority as delegated by the director to issue summonses for violations of sections 12-6-120 (2) and 42-6-142, to issue misdemeanor summonses for violations of section 12-6-119.5 (1)(a), and to procure criminal records during an investigation.

(2) (4) In the event if any person fails to comply with a cease-and-desist order issued pursuant to this section, the executive director may bring a suit for injunction to prevent any further and continued violation of such order. In any such suit, the final proceedings
of the executive director, based upon evidence in record, shall be prima facie evidence of the facts found therein.

(3) (5) The executive director may impose a civil fine of not less than ten thousand dollars and not more than twenty-five thousand dollars on a motor vehicle manufacturer, distributor, or manufacturer representative who knowingly violates section 12-6-120.3 (5). Each day that a manufacturer, distributor, or manufacturer representative violates section 12-6-120.3 (5) by failing to offer the right of first refusal or failing to make a payment required by section 12-6-120.3 (5) is a separate offense.

SECTION 11. In Colorado Revised Statutes, amend 12-6-106 as follows:

12-6-106. Records as evidence. Copies of all records and papers in the office of the board, DIRECTOR, or executive director, duly authenticated under the hand and seal of the board, DIRECTOR, or executive director, shall be received in evidence in all cases equally and with like effect as the original thereof.

SECTION 12. In Colorado Revised Statutes, 12-6-107, amend (1) as follows:

12-6-107. Attorney general to advise and represent. (1) The attorney general of this state shall represent the board, DIRECTOR, and executive director and shall give opinions on all questions of law relating to the interpretation of this part 1 or arising out of the administration thereof and shall appear for and in behalf of the board, DIRECTOR, and executive director in all actions brought by or against them, whether under the provisions of this part 1 or otherwise.

SECTION 13. In Colorado Revised Statutes, 12-6-108, amend
(1) introductory portion and (1)(c) as follows:

**12-6-108. Classes of licenses.** (1) **THE FOLLOWING CLASSES OF**
licenses **ARE issued under the provisions of this part 1: shall be of the**
following classes:

(c) A motor vehicle salesperson's license **shall permit** the
licensee to engage in the activities of a motor vehicle salesperson **WHILE**
EMPLOYED BY A LICENSED MOTOR VEHICLE DEALER OR USED MOTOR
VEHICLE DEALER.

**SECTION 14.** In Colorado Revised Statutes, **amend** 12-6-108.5
as follows:

**12-6-108.5. Temporary motor vehicle dealer license.** (1) (a) If
a licensed MOTOR vehicle dealer has entered into a written agreement to
sell a dealership to a purchaser and the purchaser has been awarded a new
dealership franchise, the board may issue a temporary motor vehicle
dealer's license to such THE purchaser or prospective purchaser. The
executive director shall issue the temporary license only after the board
has received the applications for both a temporary motor vehicle dealer's
license and a motor vehicle dealer's license, the appropriate application
fee for the motor vehicle dealer's application, evidence of a passing test
score, and evidence that the franchise has been awarded to the applicant
by the manufacturer. **Such**

(b) A temporary motor vehicle dealer's license **shall authorize**
AUTHORIZES the licensee to act as a motor vehicle dealer. **Such**
Temporary licensees **shall be** ARE subject to all the provisions of this
article ARTICLE 6 and to all applicable rules and regulations adopted by
the executive director or the board. **Such** A temporary motor vehicle
dealer's license **shall be** IS effective for up to sixty days or until the board
acts on such THE licensee's application for a motor vehicle dealer's license, whichever is sooner.

(2) For the purpose of enabling an out-of-state dealer to sell vehicles on a temporary basis during specifically identified events, the executive director may issue, upon direction by the board, a temporary MOTOR VEHICLE dealer's license, which shall be IS effective for thirty days. Such THE temporary license shall LICENSEE IS subject the licensee to compliance with TO THE rules and regulations adopted by the executive director or the board.

SECTION 15. In Colorado Revised Statutes, amend 12-6-109 as follows:

12-6-109. Display, form, custody, and use of licenses. (1) The board and the executive director shall prescribe the form of the license to be issued by the executive director and each license shall have imprinted thereon IMPRINT ON EACH LICENSE the seal of their offices. The license of each motor vehicle salesperson shall be mailed to the business address where the salesperson is licensed under this article and shall be kept by the salesperson at such KEEP A COPY OF THE LICENSE AT THE salesperson's place of employment for inspection by employers, consumers, THE DIRECTOR, the executive director, or the board. It is the duty of Each motor vehicle dealer, manufacturer, distributor, wholesaler, manufacturer representative, wholesale motor vehicle auction dealer, or used motor vehicle dealer to SHALL display conspicuously such EACH person's own license in such person's LICENSE AT THE place of business FOR WHICH THE LICENSE WAS ISSUED.

(2) Each license issued pursuant to UNDER this part 1 is separate and distinct. It shall be IS a violation of this part 1 for a person to exercise
any of the privileges granted under a license that such THE person does
not hold, or for a licensee to knowingly allow such an exercise of
privileges.

SECTION 16. In Colorado Revised Statutes, 12-6-110, amend
(2), (2.5), and (3)(b); and repeal (3)(d) as follows:

12-6-110. Fees - disposition - expenses - expiration of licenses.
(2) All such fees shall be paid to the state treasurer, who shall credit the
same FEES to the auto dealers license fund CREATED IN SECTION 12-6-123.
(2.5) If an application for a buyer agent's, motor vehicle dealer's,
used motor vehicle dealer's, wholesaler's, or MOTOR VEHICLE
salesperson's license is withdrawn by the applicant prior to issuance of the
license, THE DIRECTOR SHALL REFUND one-half of the license fee. shall be
refunded:
(3) (b) Thirty days prior to BEFORE the expiration of such licenses
A MOTOR VEHICLE SALESPERSON LICENSE, the executive director shall mail
to any such BOTH THE licensee's business address of record AND THE
LICENSEE'S PERSONAL ADDRESS OF RECORD a notice stating when such
THE person's license is due to expire and the fee necessary to renew such
THE license. For a salesperson or manufacturer representative, the notice
shall be mailed to the address of the dealer or manufacturer where such
THE person is licensed.
(d) A transition procedure for licensees licensed prior to July 1,
1992, shall be established by the board or the executive director by rule
and regulation.

SECTION 17. In Colorado Revised Statutes, amend 12-6-112.7
as follows:
12-6-112.7. Notice of claims honored against bond. (1) Any A
corporate surety which has provided a bond to a licensee pursuant to the requirements of section 12-6-111, 12-6-112, or 12-6-112.2 shall provide notice to the board and executive director of any claim which that is honored against such the bond. Such notice shall be provided to the board and executive director within thirty days after the claim is honored.

(2) A notice provided by a corporate surety pursuant to the requirement of subsection (1) of this section shall be in such the form as required by the executive director, subject to approval by the board, and shall include but shall not be limited to, the name of the licensee, the name and address of the claimant, the amount of the honored claim, and the nature of the claim against the licensee.

SECTION 18. In Colorado Revised Statutes, amend 12-6-114 as follows:

12-6-114. Filing of written warranties. All each licensed manufacturers manufacturer shall file with the executive director all written warranties and changes in written warranties that such the manufacturer makes on any motor vehicle or parts thereof. All each licensed manufacturers manufacturer shall file with the executive director a copy of the delivery and preparation obligations of a manufacturer's dealers its dealers, and these warranties and obligations shall constitute the dealer's only responsibility for product liability as between the dealer and the manufacturer. Any mechanical, body, or parts defects arising from any express or implied warranties of the manufacturer shall constitute the manufacturer's product or warranty liability, and the manufacturer shall reasonably compensate any authorized dealer who performs work to rectify said the manufacturer's
SECTION 19. In Colorado Revised Statutes, 12-6-115, amend (4), (5)(a) introductory portion, (5)(a)(I), (5)(b), and (7)(h); and add (8) as follows:

12-6-115. Application - prelicensing education - fingerprint-based background check - rules. (4) All persons applying for a motor vehicle dealer's license shall file with the board a certified copy of a certificate of appointment as a dealer from a manufacturer.

(5) (a) Each person applying for a manufacturer's or distributor's license shall:

(I) File with the executive director a certified copy of their typical sales, service, and parts agreement with all motor vehicle dealers; and

(b) Within sixty days after amending or modifying or adding an addendum to the sales, service, or parts agreement of more than one motor vehicle dealer, a licensed manufacturer or distributor shall file a certified copy of the new sales, service, and parts agreement, including the changes, with the executive director if the amendment, modification, or addendum materially alters the rights and obligations of the contracting parties.

(7) (h) An approved prelicensing program provider shall submit a certificate to the executive director for each person who successfully completes the prelicensing education program. The certificate may be transmitted electronically.

(8) WITH THE SUBMISSION OF AN APPLICATION FOR ANY LICENSE ISSUED UNDER THIS PART 1, EACH APPLICANT SHALL SUBMIT A COMPLETE
set of fingerprints to the board. The board shall submit the
fingerprints to the Colorado Bureau of Investigation for the
purpose of conducting fingerprint-based criminal history record
checks. The Colorado Bureau of Investigation shall forward the
fingerprints to the Federal Bureau of Investigation for the
purpose of conducting fingerprint-based criminal history record
checks. The board may acquire a name-based criminal history
record check for an applicant or a license holder who has twice
submitted to a fingerprint-based criminal history record check
and whose fingerprints are unclassifiable. The board shall use
the information resulting from the fingerprint-based criminal
history record check to investigate and determine whether an
applicant is qualified to be licensed. The board may verify the
information an applicant is required to submit. The applicant
shall pay the costs associated with the fingerprint-based
criminal history record check to the Colorado Bureau of
investigation.

SECTION 20. In Colorado Revised Statutes, 12-6-116, amend
(2); repeal (3); and add (6) as follows:

12-6-116. Notice of change of address or status. (2) (a) Should
the If a motor vehicle dealer change changes to a new line line-make
of motor vehicles, add adds another franchise for the sale of new motor
vehicles, or cancel cancels or, for any cause whatever, otherwise lose
loses a franchise for the sale of new motor vehicles, such the dealer
shall immediately so notify the board. In the case of a cancellation or loss
of franchise, the board shall determine whether or not by reason thereof
such the dealer who lost the franchise should be licensed as a used
motor vehicle dealer. in which case

(b) If the motor vehicle dealer no longer possesses a franchise to sell new motor vehicles, the board shall take up, and the motor vehicle dealer shall deliver to the board, the dealer's license, and the board shall direct the executive director to issue to the dealer a used motor vehicle dealer's license.

(c) Upon the cancellation or loss of a franchise to sell new motor vehicles and the relicensing of a dealer as a used motor vehicle dealer, such dealer may continue in the business for which of a motor vehicle dealer is licensed for a time, not exceeding six months from the date of the relicensing of such dealer, to enable such dealer to dispose of the stock of new motor vehicles on hand at the time of such relicensing, but not otherwise.

(3) If a motor vehicle salesperson is discharged, leaves an employer, or changes a place of employment, the motor vehicle dealer or used motor vehicle dealer who last employed the salesperson shall confiscate and return such salesperson's license to the board. Upon being reemployed as a motor vehicle salesperson, the motor vehicle salesperson shall notify the board. Upon receiving such notification, the board shall issue a new license for the unexpired portion of such returned license after collecting a fee set pursuant to section 12-6-110 (5). It shall be unlawful for such salesperson to act as a motor vehicle salesperson until a new license is procured.

(6) (a) Except as specified in subsection (6)(d) of this section:

(I) A person holding an ownership interest in a licensed corporation, limited liability company, limited liability
PARTNERSHIP, OR OTHER BUSINESS ENTITY SHALL NOT SELL THE INTEREST TO A PERSON WHO DOES NOT ALREADY OWN AN INTEREST IN THE BUSINESS ENTITY UNTIL THE OWNER APPLIES TO THE BOARD TO BE APPROVED TO HOLD AN OWNERSHIP INTEREST IN THE BUSINESS ENTITY AND THE BOARD APPROVES THE PERSON TO HOLD THE INTEREST.

(II) A LICENSED CORPORATION, LIMITED LIABILITY COMPANY, LIMITED LIABILITY PARTNERSHIP, OR OTHER BUSINESS ENTITY SHALL NOTIFY THE BOARD WITHIN TEN DAYS AFTER A TRANSFER, OTHER THAN A SALE, OF ANY OWNERSHIP THAT RESULTS IN A NEW PERSON HOLDING AN INTEREST IN THE BUSINESS ENTITY. TO CONTINUE TO HOLD OWNERSHIP IN THE BUSINESS, THE TRANSFEREE SHALL APPLY TO THE BOARD FOR APPROVAL TO CONTINUE HOLDING AN OWNERSHIP INTEREST IN THE BUSINESS ENTITY.

(b) To be approved by the board to hold an ownership interest in a licensed business entity, the new owner must demonstrate the qualifications necessary for initial licensing, including a fingerprint-based criminal history record check, in accordance with this part 1.

(c) (I) If the board does not approve a person to hold an ownership interest in a licensed business entity, the person shall transfer the interest within six months after acquiring the ownership interest.

(II) Until a person is approved by the board to hold an ownership interest in a licensed business entity, the person shall not act as a motor vehicle salesperson or participate in the management of the licensed business entity.

(III) This subsection (6)(c) does not authorize a person to
HOLD AN INTEREST IN A LICENSED BUSINESS ENTITY WHEN THE PERSON
ACQUIRED THE INTEREST AS THE RESULT OF A SALE THAT VIOLATES
SUBSECTION (6)(a)(I) OF THIS SECTION.

(d) (I) THIS SUBSECTION (6) DOES NOT APPLY TO THE SALE OF AN
INTEREST OF LESS THAN FIVE PERCENT OF A BUSINESS ENTITY THAT IS
SUBJECT TO THE REPORTING REQUIREMENTS OF THE "SECURITIES

(II) THIS SUBSECTION (6) DOES NOT APPLY TO THE SALE OF AN
INTEREST TO AN INSTITUTIONAL INVESTOR OF A BUSINESS ENTITY THAT IS
SUBJECT TO THE REPORTING REQUIREMENTS OF THE "SECURITIES
EXCHANGE ACT OF 1934", 15 U.S.C. SEC. 78a ET SEQ., AS AMENDED. FOR
THE PURPOSES OF THIS SUBSECTION (6)(d)(II), "INSTITUTIONAL INVESTOR"
MEANS AN ENTITY, SUCH AS A PENSION FUND, ENDOWMENT FUND,
INSURANCE COMPANY, COMMERCIAL BANK, OR MUTUAL FUND, THAT
INVESTS MONEY ON BEHALF OF ITS MEMBERS OR CLIENTS AND THAT IS
REQUIRED BY THE UNITED STATES SECURITIES AND EXCHANGE
COMMISSION TO FILE A FORM 13F, OR ITS SUCCESSOR FORM, TO REPORT
QUARTERLY HOLDINGS.

SECTION 21. In Colorado Revised Statutes, 12-6-118, add (4.5)
and (9) as follows:

12-6-118. Licenses - grounds for denial, suspension, or
revocation. (4.5) THE LICENSE OF A MOTOR VEHICLE DEALER MAY BE
DENIED, REVOCKED, SUSPENDED, OR OTHERWISE SUBJECT TO DISCIPLINE
IMPOSED UNDER THIS PART 1 IF AN OWNER IS ACTING AS A SALESPERSON
WITHOUT A MOTOR VEHICLE SALESPERSON LICENSE AND THE OWNER
COMMITS ANY OF THE ACTS OR OMISSIONS THAT SUBJECT A SALESPERSON’S
LICENSE TO DENIAL, REVOCATION, OR SUSPENSION UNDER SUBSECTION (5)
OF THIS SECTION.

(9) A PERSON WHOSE LICENSE ISSUED UNDER THIS PART 1 IS REVOKED OR WHO SURRENDERS A LICENSE TO AVOID DISCIPLINE IS INELIGIBLE TO APPLY FOR A NEW LICENSE UNDER THIS PART 1 FOR ONE YEAR AFTER THE DATE OF REVOCATION OR SURRENDER OF THE LICENSE.

SECTION 22. In Colorado Revised Statutes, 12-6-120, amend (2) as follows:

12-6-120. Unlawful acts. (2) It is unlawful for any person to act as a motor vehicle dealer, manufacturer, distributor, wholesaler, manufacturer representative, used motor vehicle dealer, buyer agent, wholesale motor vehicle auction dealer, or motor vehicle salesperson unless such person has been duly licensed under the provisions of this part 1, except for persons exempt from licensure as a manufacturer pursuant to section 12-6-102 (11); however, such persons MANUFACTURERS EXEMPT FROM LICENSING shall comply with all other applicable requirements for manufacturers, including but not limited to, those pertaining to vehicle identification numbers and manufacturers' statements of origin.

SECTION 23. In Colorado Revised Statutes, 12-6-120.3, amend (4)(a) introductory portion, (4)(b)(I) introductory portion, (4)(b)(I)(A), (4)(b)(I)(C), and (4)(b)(I)(D) as follows:

12-6-120.3. New, reopened, or relocated dealer - notice required - grounds for refusal of dealer license - definitions - rules. (4) (a) If a licensee or former licensee whose franchise was terminated, cancelled, or not renewed by the manufacturer, distributor, or manufacturer representative in the previous five years due to the insolvency of the manufacturer or distributor brings an action or
proceeding before the executive director or a court pursuant to this part section, the manufacturer shall have the burden of proof on the following issues:

(b) (I) In addition to the powers specified in section 12-6-105, the executive director has jurisdiction to resolve actions or proceedings brought before the executive director pursuant to this part 1 that allege a violation of this part 1 or rules promulgated pursuant to this part 1. The executive director may promulgate rules to facilitate the administration of such actions or proceedings, including provisions specifying procedures for the executive director or the executive director's designee to:

(A) Conduct an investigation pursuant to section 12-6-105 (1)(d)(3) of an alleged violation of this part 1 or rules promulgated pursuant to this part 1, including issuance of a notice of violation;

(C) Issue an order, including a cease-and-desist order issued pursuant to section 12-6-105 (1)(f)(1)(e), to resolve the notice of violation; and

(D) Impose a fine pursuant to section 12-6-105 (1)(f)(III) (1)(e)(III).

SECTION 24. In Colorado Revised Statutes, 12-6-123, amend (1) introductory portion as follows:

12-6-123. Disposition of fees - auto dealers license fund - created. (1) All money received under this part 1, except fines awarded pursuant to sections 12-6-121.5 and 12-6-121.6 (2), shall be deposited with the state treasurer by the department of revenue, subject to the provisions of section 24-35-101, C.R.S.; together with a detailed statement of such receipts, and such funds are deposited
with the state treasurer shall constitute a fund to be known as the auto dealers license fund, which fund is hereby created. and which THE FUND shall be used under the direction of the board in the following manner:

SECTION 25. In Colorado Revised Statutes, amend 12-6-125 as follows:

12-6-125. Advertisement - inclusion of dealer name. No motor A MOTOR vehicle dealer or used motor vehicle dealer or any agent of either of said THE dealers shall NOT advertise any offer for the sale, lease, or purchase of a motor vehicle or a used motor vehicle which THAT creates the false impression that the vehicle is being offered by a private party or by a motor vehicle BUYER'S agent or which THAT does not contain the name of the dealer or the word "dealer" or, if the name is contained in the offer and does not clearly reflect that the business is a dealer, both the name of the dealer and the word "dealer".

SECTION 26. In Colorado Revised Statutes, amend 12-6-131 as follows:

12-6-131. Termination appeal. (1) A motor vehicle dealer who has reason to believe that a manufacturer, distributor, or manufacturer representative has violated section 12-6-120 (1)(d) or (1)(w) may appeal to the board by filing a complaint with the executive director. Upon receiving the complaint and upon a showing of specific facts that a violation has occurred, the executive director shall summarily issue a cease-and-desist order under section 12-6-105 (1)(f) (2)(e) staying the termination, elimination, modification, or nonrenewal of the franchise agreement.

(2) The cease-and-desist order remains in effect until the hearing
required by section 12-6-105 (1)(f) (2)(e) is held. If a determination is made at the hearing required by section 12-6-105 (1)(f) (2)(e) that a violation occurred, the executive director shall make the cease-and-desist order permanent and take any actions authorized by section 12-6-104 (3).

(3) A motor vehicle dealer who appeals to the executive director maintains all rights under the franchise agreement until the later of the executive director issuing a decision or ninety days after the manufacturer, distributor, or manufacturer's representative provides the notice of termination unless the executive director finds that the termination, cancellation, or nonrenewal was for fraud, a misrepresentation, or committing a crime within the scope of the franchise agreement or in the operation of the dealership. in which case IF THE EXECUTIVE DIRECTOR FINDS FRAUD, MISREPRESENTATION, OR A CRIME, the franchise rights terminate immediately.

SECTION 27. In Colorado Revised Statutes, 24-1-117, amend (4)(a)(VII) and (4)(a)(IX); and add (4)(a)(X) as follows:

24-1-117. Department of revenue - creation. (4) (a) The department of revenue shall consist of the following divisions:

(VII) Division of gaming, including the Colorado limited gaming control commission; and

(IX) Such other groups, divisions, sections, and units as the executive director of the department of revenue may create pursuant to section 24-35-103; AND

(X) THE AUTO INDUSTRY DIVISION CREATED IN SECTION 12-6-105. THE DIVISION SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF REVENUE AS IF THE DIVISION WERE TRANSFERRED TO THE DEPARTMENT BY A TYPE 2 TRANSFER AS
SECTION 28. In Colorado Revised Statutes, 12-6-502, add (4.5) as follows:

12-6-502. Definitions. As used in this part 5, unless the context otherwise requires:

(4.5) "DIRECTOR" MEANS THE DIRECTOR OF THE AUTO INDUSTRY DIVISION CREATED IN SECTION 12-6-105.

SECTION 29. In Colorado Revised Statutes, 12-6-504, amend (1)(b), (1)(d)(II), (1)(e)(I)(B), and (1)(f) as follows:

12-6-504. Board - oath - meetings - powers and duties - rules.

(1) In addition to the duties and powers of the board under section 12-6-104, the board may:

(b) Delegate to the board's executive secretary, employed pursuant to section 12-6-105 (1)(b) (2)(b), the authority to execute all actions within the power of the board, carry out the directives of the board, and make recommendations to the board on all matters within the authority of the board;

(d) (II) Permit the executive director to issue licenses pursuant to rules adopted by the board under paragraph (a) of this subsection (1) SUBSECTION (1)(a) OF THIS SECTION;

(e) (I) After due notice and a hearing:

(B) Revoke and suspend or order the executive director to issue or to reinstate, on such terms and conditions and for such period of time as the board deems fair and just, any license issued pursuant to this part 5;

(f) (I) Investigate, with the assistance of the executive director, on its own motion or upon a written and signed complaint from any person,
a suspected or alleged violation by a wholesaler, powersports vehicle
dealer, used powersports vehicle dealer, or powersports vehicle
salesperson of this part 5 or a rule promulgated by the board;

(II) Issue subpoenas or delegate the authority to issue subpoenas
to the executive director;

(III) Require the executive director to investigate complaints
transmitted by the board pursuant to section 12-6-505 (1)(e) and (1)(f)
(3)(b) AND (3)(c);

(IV) Seek to resolve disputes before beginning an investigation or
hearing through its own action or by direction of the executive director;

(V) If the board determines that there is probable cause to believe
a violation of this article ARTICLE 6 has occurred after an investigation by
the executive director, order an administrative hearing be held pursuant
to section 24-4-105. C.R.S., or designate one of the board’s members as
a hearing officer to conduct a hearing pursuant to section 24-4-105,
C.R.S.;

SECTION 30. In Colorado Revised Statutes, 12-6-505, amend
(1) introductory portion; repeal (1)(c), (1)(e), and (1)(f); and add (3) as
follows:

12-6-505. Powers and duties of executive director and
director. (1) The executive director is hereby charged with the
administration, enforcement, and issuance or denial of the licensing of
powersports vehicle distributors, powersports vehicle manufacturer
representatives, and powersports vehicle manufacturers, and shall have
the following powers and duties:

(c) To employ and assign duties to clerks, deputies, and assistants;
which duties the executive director considers necessary to discharge the
duties imposed upon the executive director by this part 5;

c) To investigate, upon the executive director's own initiative;
up on the written and signed complaint of any person, or upon request by
the board pursuant to section 12-6-504 (1)(f)(I), any suspected or alleged
violation of this part 5, or of any rule promulgated by the executive
director under this section, by any person licensed by the executive
director pursuant to this part 5;

f) To delegate authority to persons for the purpose of
investigating alleged or suspected violations of this part 5. The
investigators and their supervisors utilized by the executive director,
while actually engaged in performing their duties, shall have the authority
as delegated by the executive director:

I) To issue subpoenas, in accordance with the performance of
their duties, to licensees who are under the jurisdiction of the executive
director;

II) To issue summonses for violations of section 12-6-523 (2);

III) To issue misdemeanor summonses for violations of section
12-6-523 (1)(a); and

IV) To procure criminal records during an investigation;

3) The director may:

a) Employ such clerks, deputies, and assistants as the
   director considers necessary to discharge the duties imposed
   upon the director or executive director by this part 5 and to
   designate the duties of such clerks, deputies, and assistants;

b) Investigate, upon the director's own initiative, upon
   the written and signed complaint of any person, or upon request
   by the board under section 12-6-504 (1)(f)(I), any suspected or
ALLEGED VIOLATION OF THIS PART 5 OR OF ANY RULE PROMULGATED UNDER THIS ARTICLE 6;

(c) DELEGATE AUTHORITY TO PERSONS FOR THE PURPOSE OF INVESTIGATING ALLEGED OR SUSPECTED VIOLATIONS OF THIS PART 5. THE INVESTIGATORS AND THEIR SUPERVISORS UTILIZED BY THE DIRECTOR, WHILE ACTUALLY ENGAGED IN PERFORMING THEIR DUTIES, HAVE THE AUTHORITY AS DELEGATED BY THE DIRECTOR:

(I) TO ISSUE SUBPOENAS, IN ACCORDANCE WITH THE PERFORMANCE OF THEIR DUTIES, TO LICENSEES WHO ARE UNDER THE JURISDICTION OF THE EXECUTIVE DIRECTOR;

(II) TO ISSUE SUMMONSES FOR VIOLATIONS OF SECTION 12-6-523 (2);

(III) TO ISSUE MISDEMEANOR SUMMONSES FOR VIOLATIONS OF SECTION 12-6-522 (1)(a); AND

(IV) TO PROCURE CRIMINAL RECORDS DURING AN INVESTIGATION.

SECTION 31. In Colorado Revised Statutes, amend 12-6-506 as follows:

12-6-506. Records as evidence. Copies of all records and papers in the office of the board, DIRECTOR, or the executive director, duly authenticated under the hand and seal of the board, DIRECTOR, or executive director, shall be received in evidence in all cases equally and with like effect as the original.

SECTION 32. In Colorado Revised Statutes, 12-6-507, amend (1) as follows:

12-6-507. Attorney general to advise and represent. (1) The attorney general shall represent the board, DIRECTOR, and executive director and shall give opinions on questions of law relating to the
interpretation of this part 5 or arising out of the administration thereof and shall appear for and on behalf of the board, DIRECTOR, and executive director in all actions brought by or against them, whether under the provisions of this part 5 or otherwise.

SECTION 33. In Colorado Revised Statutes, 12-6-508, amend (1) introductory portion and (1)(c) as follows:

12-6-508. Classes of licenses. (1) THE FOLLOWING CLASSES OF licenses ARE issued under this part 5: shall be of the following classes:

(c) A powersports vehicle salesperson's license shall permit PERMITS the licensee to engage in the activities of a powersports vehicle salesperson WHILE EMPLOYED BY A LICENSED POWERSPORTS VEHICLE DEALER OR USED POWERSPORTS VEHICLE DEALER.

SECTION 34. In Colorado Revised Statutes, amend 12-6-509 as follows:

12-6-509. Temporary powersports vehicle dealer license.

(1) (a) If a licensed powersports vehicle dealer has entered into a written agreement to sell a dealership to a purchaser and the purchaser has been awarded a new franchise, the board may issue a temporary powersports vehicle dealer's license to such the purchaser or prospective purchaser. The executive director shall issue the temporary license only after the board has received the applications for both a temporary powersports vehicle dealer's license and a powersports vehicle dealer's license, the appropriate application fee for the powersports vehicle dealer's application, evidence of a passing score of the written examination described in section 12-6-515, and evidence that the franchise has been awarded to the applicant by the powersports vehicle manufacturer.

(b) A temporary powersports vehicle dealer's license shall...
authorize AUTHORIZES the licensee to act as a powersports vehicle dealer and subject SUBJECTS the licensee to this article ARTICLE 6 and to all rules adopted by the executive director or the board. A temporary powersports vehicle dealer's license shall be IS effective for up to sixty days or until the board acts on such THE licensee's application for a powersports vehicle dealer's license, whichever is sooner.

(2) For the purpose of enabling an out-of-state dealer to sell powersports vehicles on a temporary basis during specifically identified events, the executive director may issue, upon direction by the board, a temporary powersports vehicle dealer's license that shall be IS effective for thirty days. The temporary license LICENSEE IS subject the licensee to compliance with TO THE rules adopted by the executive director or the board.

SECTION 35. In Colorado Revised Statutes, amend 12-6-510 as follows:

12-6-510. Display, form, custody, and use of licenses. (1) The board and the executive director shall prescribe the form of the license to be issued by the executive director, and each license shall have imprinted thereon IMPRINT ON EACH LICENSE the seal of their offices. The license of each powersports vehicle salesperson shall be mailed to the business address where the salesperson is licensed and shall be kept by the salesperson at such KEEP A COPY OF THE LICENSE AT THE salesperson's place of employment for inspection by employers, consumers, THE DIRECTOR, the executive director, or the board. A powersports vehicle dealer or wholesaler shall display conspicuously the person's license in the person's place of business.

(2) Each license issued pursuant to UNDER this part 5 is separate
and distinct. It shall be a violation of this part 5 for a person to exercise any of the privileges granted under a license that the person does not hold, or for a licensee to knowingly allow such an exercise of privileges.

SECTION 36. In Colorado Revised Statutes, 12-6-511, amend (4)(b) as follows:

12-6-511. Fees - disposition - expenses - expiration of licenses. (4) (b) Thirty days prior to the expiration of a license, the executive director shall mail to both the licensee's business address of record and the licensee's personal address of record a notice stating when the person's license is due to expire and the fee necessary to renew the license. For a powersports vehicle salesperson or powersports vehicle manufacturer representative, the notice shall be mailed to the address of the powersports vehicle dealer, used powersports vehicle dealer, or powersports vehicle manufacturer where the person is licensed.

SECTION 37. In Colorado Revised Statutes, amend 12-6-514 as follows:

12-6-514. Notice of claims honored against bond. (1) A corporate surety that has provided a bond to a licensee pursuant to section 12-6-512 or 12-6-513 shall provide notice to the board and executive director of any claim that is honored against the bond. The notice shall be provided to the board and executive director within thirty days after the claim is honored.

(2) A notice provided by a corporate surety pursuant to subsection (1) of this section shall be in the form required by the executive director, subject to approval by the board, and shall include without
limitation, the name of the licensee, the name and address of the claimant, the amount of the honored claim, and the nature of the claim against the licensee.

SECTION 38. In Colorado Revised Statutes, amend 12-6-516 as follows:

12-6-516. Filing of written warranties. A licensed powersports vehicle manufacturer shall file with the executive director all written warranties and changes in written warranties the manufacturer makes on powersports vehicle VEHICLES or parts thereof. A licensed powersports vehicle manufacturer shall file with the executive director a copy of the delivery and preparation obligations of a powersports vehicle manufacturer's dealer, and these warranties and obligations shall constitute the powersports vehicle dealer's only responsibility for product liability as between the powersports vehicle dealer and the powersports vehicle manufacturer. Any mechanical, body, or parts defects arising from express or implied warranties of the powersports vehicle manufacturer shall constitute the powersports vehicle manufacturer's product or warranty liability, and the powersports vehicle manufacturer shall reasonably compensate any authorized powersports vehicle dealer who performs work to rectify a powersports vehicle manufacturer's product or warranty defects.

SECTION 39. In Colorado Revised Statutes, 12-6-517, amend (2), (5)(a) introductory portion, (5)(a)(I), (5)(b), and (7)(h); and add (8) as follows:

12-6-517. Application - fingerprint-based background check - rules. (2) An application for a powersports vehicle distributor, powersports vehicle manufacturer representative, or powersports vehicle
manufacturer license shall be submitted to the executive director.

(5) (a) A person applying for a powersports vehicle manufacturer's or distributor's license shall MUST:

(I) File with the executive director a certified copy of a typical sales, service, and parts agreement with all powersports vehicle dealers; and

(b) Within sixty days after amending or modifying or adding an addendum to the sales, service, or parts agreement of more than one powersports dealer, a licensed manufacturer or distributor shall file a certified copy of the new sales, service, and parts agreement, including the changes, with the executive director if the amendment, modification, or addendum materially alters the rights and obligations of the contracting parties.

(7) (h) An approved prelicensing program provider shall submit a certificate to the executive director for each person who successfully completes the prelicensing education program. The certificate may be transmitted electronically.

(8) WITH THE SUBMISSION OF AN APPLICATION FOR ANY LICENSE ISSUED UNDER THIS PART 5, EACH APPLICANT SHALL SUBMIT A COMPLETE SET OF FINGERPRINTS TO THE BOARD. THE BOARD SHALL SUBMIT THE FINGERPRINTS TO THE COLORADO BUREAU OF INVESTIGATION FOR THE PURPOSE OF CONDUCTING FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECKS. THE COLORADO BUREAU OF INVESTIGATION SHALL FORWARD THE FINGERPRINTS TO THE FEDERAL BUREAU OF INVESTIGATION FOR THE PURPOSE OF CONDUCTING FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECKS. THE BOARD MAY ACQUIRE A NAME-BASED CRIMINAL HISTORY RECORD CHECK FOR AN APPLICANT OR A LICENSE HOLDER WHO HAS TWICE
SUBMITTED TO A FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK AND WHOSE FINGERPRINTS ARE UNCLASSIFIABLE. THE BOARD SHALL USE THE INFORMATION RESULTING FROM THE FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK TO INVESTIGATE AND DETERMINE WHETHER AN APPLICANT IS QUALIFIED TO BE LICENSED. THE BOARD MAY VERIFY THE INFORMATION AN APPLICANT IS REQUIRED TO SUBMIT. THE APPLICANT SHALL PAY THE COSTS ASSOCIATED WITH THE FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK TO THE COLORADO BUREAU OF INVESTIGATION.

SECTION 40. In Colorado Revised Statutes, 12-6-518, amend (2); repeal (3); and add (5) as follows:

12-6-518. Notice of change of address or status. (2) (a) Should the I F A  powersports vehicle dealer change CHANGES to a new line LINE-MAKE of powersports vehicles, add ADDS another franchise for the sale of new powersports vehicles, or cancel CANCELS or otherwise lose LOSES a franchise for the sale of new powersports vehicles, the dealer shall immediately notify the board. If a franchise is canceled or lost, the board shall determine whether the dealer should be licensed as a used powersports vehicle dealer.

(b) If so THE POWERSPORTS VEHICLE DEALER NO LONGER POSSESSES A FRANCHISE TO SELL NEW POWERSPORTS VEHICLES, the board shall cancel and the powersports vehicle dealer shall deliver to it the dealer's license, and the board shall direct the executive director to issue to the dealer a used powersports vehicle dealer's license.

(c) Upon the cancellation or loss of a franchise to sell new powersports vehicles and the relicensing of the dealer as a used powersports vehicle dealer, the dealer may continue in the business for
which of a powersports vehicle dealer is licensed for a time, not exceeding six months after the relicensing of the dealer, to enable the dealer to dispose of the stock of new powersports vehicles on hand at the time of the relicensing, but not otherwise.

(3) If a powersports vehicle salesperson is discharged, leaves an employer, or changes a place of employment, the powersports vehicle dealer who last employed the salesperson shall confiscate and return the salesperson’s license to the board. Upon being reemployed as a powersports vehicle salesperson, the powersports vehicle salesperson shall notify the board. Upon receiving the notification, the board shall issue a new license for the unexpired portion of the returned license after collecting a fee set pursuant to section 12-6-511 (5). It shall be unlawful for the salesperson to act as a powersports vehicle salesperson until a new license is procured.

(5) (a) Except as specified in subsection (5)(d) of this section:

(I) A PERSON HOLDING AN OWNERSHIP INTEREST IN A LICENSED CORPORATION, LIMITED LIABILITY COMPANY, LIMITED LIABILITY PARTNERSHIP, OR OTHER BUSINESS ENTITY SHALL NOT SELL THE INTEREST TO A PERSON WHO DOES NOT ALREADY OWN AN INTEREST IN THE BUSINESS ENTITY UNTIL THE OWNER APPLIES TO THE BOARD TO BE APPROVED TO HOLD AN OWNERSHIP INTEREST IN THE BUSINESS ENTITY AND THE BOARD APPROVES THE PERSON TO HOLD THE INTEREST.

(II) A LICENSED CORPORATION, LIMITED LIABILITY COMPANY, LIMITED LIABILITY PARTNERSHIP, OR OTHER BUSINESS ENTITY SHALL NOTIFY THE BOARD WITHIN TEN DAYS AFTER A TRANSFER, OTHER THAN A SALE, OF ANY OWNERSHIP THAT RESULTS IN A NEW PERSON HOLDING AN
interest in the business entity. To continue to hold ownership in
the business, the transferee shall apply to the board for
approval to continue holding an ownership interest in the
business entity.

(b) To be approved by the board to hold an ownership
interest in a licensed business entity, the new owner must
demonstrate the qualifications necessary for initial licensing,
including a fingerprint-based criminal history record check, in
accordance with this Part 5.

(c) (I) If the board does not approve a person to hold an
ownership interest in a licensed business entity, the person shall
transfer the interest within six months after acquiring the
ownership interest.

(II) Until a person is approved by the board to hold an
ownership interest in a licensed business entity, the person shall
not act as a powersports vehicle salesperson or participate in
the management of the licensed business entity.

(III) This subsection (5)(c) does not authorize a person to
hold an interest in a licensed business entity when the person
acquired the interest as the result of a sale that violates
subsection (5)(a)(I) of this section.

(d) (I) This subsection (5) does not apply to the sale of an
interest of less than five percent of a business entity that is
subject to the reporting requirements of the "Securities

(II) This subsection (5) does not apply to the sale of an
interest to an institutional investor of a business entity that is
SUBJECT TO THE REPORTING REQUIREMENTS OF THE "SECURITIES
EXCHANGE ACT OF 1934", 15 U.S.C. sec. 78a et seq., as amended. For
the purposes of this subsection (5)(d)(II), "INSTITUTIONAL INVESTOR"
means an entity, such as a pension fund, endowment fund,
insurance company, commercial bank, or mutual fund, that
invests money on behalf of its members or clients and that is
required by the United States securities and exchange
commission to file a Form 13F, or its successor form, to report
quarterly holdings.

SECTION 41. In Colorado Revised Statutes, 12-6-520, add (5.5)
and (7) as follows:

12-6-520. Licenses - grounds for denial, suspension, or
revocation. (5.5) The license of a powersports vehicle dealer may
be denied, revoked, suspended, or otherwise subject to discipline
imposed under this part 5 if an owner is acting as a salesperson
without a motor vehicle salesperson license and the owner
commits any of the acts or omissions that subject a salesperson's
license to denial, revocation, or suspension under subsection (5)
of this section.

(7) A person whose license issued under this part 5 is
revoked or who surrenders a license to avoid discipline is
ineligible to apply for a new license under this part 5 for one
year after the date of revocation or surrender of the license.

SECTION 42. In Colorado Revised Statutes, 12-6-524, amend
(4)(a) introductory portion, (4)(b)(I) introductory portion, and (4)(b)(I)(A)
as follows:

12-6-524. New, reopened, or relocated dealer - notice required
- grounds for refusal of dealer license - definitions - rules. (4) (a) If a licensee or former licensee whose franchise was terminated, cancelled, or not renewed by the manufacturer, distributor, or manufacturer representative in the previous five years due to the insolvency of the manufacturer or distributor brings an action or proceeding before the executive director or a court pursuant to this part 5 SECTION, the powersports vehicle manufacturer shall have the burden of proof on the following issues:

   (b) (I) In addition to the powers specified in section 12-6-505, the executive director has jurisdiction to resolve actions or proceedings brought before the executive director pursuant to this part 5 that allege a violation of this part 5 or rules promulgated pursuant to this part 5. The executive director may promulgate rules to facilitate the administration of the actions or proceedings, including provisions specifying procedures for the executive director or the executive director's designee DIRECTOR to:

   (A) Conduct an investigation pursuant to section 12-6-505 (1)(e) and (1)(f) (3)(b) AND (3)(c) of an alleged violation of this part 5 or rules promulgated pursuant to this part 5, including issuance of a notice of violation;

SECTION 43. In Colorado Revised Statutes, 6-1-102, amend the introductory portion and (5.5) as follows:

6-1-102. Definitions. As used in this article ARTICLE 1, unless the context otherwise requires:

(5.5) "Motor vehicle" shall have the same meaning as set forth in section 12-6-102. C.R.S.

SECTION 44. In Colorado Revised Statutes, amend 16-2.5-121
as follows:

16-2.5-121. Executive director of the department of revenue - senior director of enforcement for the department of revenue. The executive director and the senior director of enforcement of the department of revenue are peace officers while engaged in the performance of their duties whose authority includes the enforcement of laws and rules regarding automobile dealers pursuant to section 12-6-105(1)(d)(II), C.R.S. (3), the lottery pursuant to sections 24-35-205 (3) and 24-35-206 (7), C.R.S.; medical marijuana pursuant to article 43.3 of title 12, C.R.S.; limited gaming pursuant to section 12-47.1-204, C.R.S.; liquor pursuant to section 12-47-904 (1), C.R.S.; and racing events pursuant to section 12-60-203 (1), C.R.S.; and the enforcement of all laws of the state of Colorado and who may be certified by the P.O.S.T. board.

SECTION 45. In Colorado Revised Statutes, amend 16-2.5-122 as follows:

16-2.5-122. Auto industry investigator. The director of the auto industry division or an auto industry investigator is a peace officer while engaged in the performance of his or her duties whose authority shall be limited to the enforcement of section 12-6-105(1)(d)(II), C.R.S. (3).

SECTION 46. In Colorado Revised Statutes, 38-20-116, amend (2.5)(d)(II) as follows:

38-20-116. Abandoned property - notice of sale - definitions. (2.5) (d) (II) Nothing in this paragraph (d) shall require SUBSECTION (2.5)(d) REQUIRES a repair shop to be a licensed dealer pursuant to PART 1 OF article 6 of title 12 C.R.S.; for purposes of selling a motor vehicle pursuant to this section.
SECTION 47. In Colorado Revised Statutes, 39-26-713, amend (2) introductory portion and (2)(b)(II) introductory portion as follows:

39-26-713. Tangible personal property. (2) The following shall be exempt from taxation under the provisions of part 2 of this article ARTICLE 26:

(b)(II) For purposes of this paragraph (b) SUBSECTION (2)(b), any motor vehicle purchased and held for resale in this state by a licensed motor vehicle dealer, as defined in section 12-6-102, (13), C.R.S., who meets the eligibility requirements to receive a full-use dealer plate set forth in section 42-3-116 (6)(a)(I) C.R.S., shall be considered to be in the regular course of business and shall not be subject to taxation under part 2 of this article ARTICLE 26. A motor vehicle shall be considered to be purchased and held for resale if:

SECTION 48. In Colorado Revised Statutes, 42-3-115, amend (2)(b)(III)(A) as follows:

42-3-115. Registration upon transfer. (2) (b) A transferee may operate a motor vehicle on the highway before registering it if:

(III) (A) The transferee has purchased the motor vehicle within the last thirty-six hours from a person who is not a motor vehicle dealer under PART 1 OF article 6 of title 12; C.R.S.;

SECTION 49. In Colorado Revised Statutes, 42-3-116, amend (6)(e) as follows:

42-3-116. Manufacturers or dealers. (6) (e) As used in this subsection (6), "motor vehicle dealer or wholesaler" includes motor vehicle dealers, used motor vehicle dealers, and wholesalers as those terms are defined in section 12-6-102. (13), (17), and (18), C.R.S.

SECTION 50. In Colorado Revised Statutes, 42-4-304, amend
(19)(b)(I) as follows:

42-4-304. Definitions relating to automobile inspection and readjustment program. As used in sections 42-4-301 to 42-4-316, unless the context otherwise requires:

(19)(b)(I) Inspections conducted pursuant to section 42-4-309 (3) by a motor vehicle dealer test facility shall only be conducted on used motor vehicles inventoried or consigned in this state for retail sale by a motor vehicle dealer that is licensed pursuant to PART 1 OF article 6 of title 12 C.R.S. and which is a member of the state trade association operating the motor vehicle dealer test facility.

SECTION 51. In Colorado Revised Statutes, 42-4-309, amend (3)(a), (3)(b), (3)(d), and (6)(a) as follows:

42-4-309. Vehicle fleet owners - motor vehicle dealers - authority to conduct inspections - fleet inspection stations - motor vehicle dealer test facilities - contracts with licensed inspection-only entities. (3)(a) Any person licensed as a motor vehicle dealer pursuant to PART 1 OF article 6 of title 12 C.R.S. in whose name twenty or more motor vehicles are registered or inventoried or consigned for retail sale in this state which are required to be inspected shall comply with the requirements of section 42-4-310 for the issuance of a certificate of emissions compliance at the time of the retail sale of any such vehicle.

(b) Within the enhanced emissions program, motor vehicle dealers licensed pursuant to PART 1 OF article 6 of title 12 C.R.S., may contract for used motor vehicle inspection services by a licensed motor vehicle dealer test facility. Pursuant to regulations of the commission, inspection procedures shall include a loaded mode transient dynamometer test cycle in combination with appropriate idle short tests pursuant to
rules and regulations of the commission.

(d) Within the basic emissions program, any person licensed as a motor vehicle dealer pursuant to PART 1 OF article 6 of title 12 C.R.S., may be licensed to conduct inspections pursuant to subsections (1) and (2) of this section.

(6) (a) On and after June 1, 1996, a motor vehicle dealer or a used motor vehicle dealer licensed pursuant to PART 1 OF article 6 of title 12 C.R.S., that sells any vehicle subject to the provisions of the enhanced emissions program may comply with the provisions of sections 42-4-304 (3)(d) and 42-4-310 by providing the consumer of the vehicle a voucher purchased by the dealer from the contractor for the centralized enhanced emissions program, with or without charge to the consumer, up to the maximum amount charged for an emissions inspection at an enhanced inspection center. Such THE voucher shall cover the cost of an emissions inspection of the vehicle at an enhanced inspection center and shall entitle the consumer to such an emissions inspection.

SECTION 52. In Colorado Revised Statutes, 42-4-310, amend (1)(a)(I) as follows:

42-4-310. Periodic emissions control inspection required.

(1) (a) (I) Subject to subsection (4) of this section, a motor vehicle that is required to be registered in the program area shall not be sold, registered for the first time without a certification of emissions compliance, or reregistered unless such vehicle has passed a clean screen test or has a valid certification of emissions control as required by the appropriate county. The provisions of this paragraph (a) shall not apply to motor vehicle transactions at wholesale between motor vehicle dealers licensed pursuant to PART 1 OF article 6 of title 12.
C.R.S. An inspection is not required prior to the sale of a motor vehicle with at least twelve months remaining before the vehicle's certification of emissions compliance expires if such certification was issued when the vehicle was new.

SECTION 53. In Colorado Revised Statutes, 42-4-1805, amend (4)(b) as follows:

42-4-1805. Appraisal of abandoned motor vehicles - sale.
(4)(b) Nothing in this section shall be deemed to require an operator to be licensed pursuant to PART 1 OF article 6 of title 12 C.R.S., for purposes of conducting activities under this part 18.

SECTION 54. In Colorado Revised Statutes, 42-4-2104, amend (1)(b) as follows:

42-4-2104. Appraisal of abandoned motor vehicles - sale.
(1)(b) Nothing in this section shall require that an operator must be a licensed dealer pursuant to PART 1 OF article 6 of title 12 C.R.S., for purposes of selling a motor vehicle pursuant to this part 21.

SECTION 55. In Colorado Revised Statutes, 42-5-105, amend (1)(b)(IV) as follows:

42-5-105. Daily record. (1)(b) The record shall be kept in a good businesslike manner in the form of invoices or in a book by the dealer or proprietor and shall contain the following:

(IV) The name, address, and a copy of the identification document of the driver and the owner of a motor vehicle received for any purpose; except that a licensed motor vehicle dealer or used motor vehicle dealer is not required to obtain or retain a copy of an identification document if such dealer complies with PART 1 OF article 6 of title 12 C.R.S.;

SECTION 56. In Colorado Revised Statutes, 42-6-201, amend
(9) as follows:

42-6-201. Definitions. As used in this part 2, unless the context otherwise requires:

(9) "Used motor vehicle dealer" means any licensed motor vehicle dealer, used motor vehicle dealer, or wholesaler as defined by the introductory portions to section 12-6-102. (13) and (17) and section 12-6-102 (18), C.R.S.

SECTION 57. Effective date. This act takes effect July 1, 2017.

SECTION 58. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.