



Legislative Council Staff

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FISCAL NOTE

Drafting Number:	LLS 18-0996	Date:	March 9, 2018
Prime Sponsors:	Sen. Tate Rep. Arndt; Liston	Bill Status:	Senate Business
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Bill Topic: AGENT OF INSURER MOTOR VEHICLE TITLE RECORDS

Summary of Fiscal Impact:

<input checked="" type="checkbox"/> State Revenue (<i>minimal</i>)	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure (<i>minimal</i>)	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

This bill allows the agent of an insurance carrier to access the Department of Revenue's (DOR) records to verify and contact a vehicle's owner or lienholder. It will minimally increase state revenue and workload beginning in the current FY 2017-18.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the introduced bill.

Summary of Legislation

Under current law, tow carriers, insurers, and salvage pools use an electronic system to access the Department of Revenue's (DOR) records to verify and contact a vehicle's owner or lienholder. This bill allows the agent of an insurance carrier to use this system for the same purposes.

Background

Under current law, the DOR provides a user interface for tow operators and law enforcement to perform Colorado records searches related to abandoned vehicles. Records are used to return stolen vehicles and to notify relevant parties that the vehicle will be sold at auction if not claimed. This system is currently maintained by Integrated Document Solutions. Beginning in August, 2018, this electronic system will be transferred to the DRIVES database.

The use of this system was extended to insurers and salvage pools in Senate Bill 17-251. Tow operators, insurers, and salvage pools pay a fee of \$2.20 for each vehicle search performed; there is no charge for vehicle searches performed by law enforcement.

State Revenue

Beginning in the current FY 2017-18, the bill will minimally increase revenue to the DRIVES account in the Highway Users Tax Fund, which is administered by DOR. The fee for each search is currently \$2.20; the number of searches is not expected to change significantly under this bill.

State Expenditures

Beginning in the current FY 2017-18, workload will increase in the DOR to annually establish new accounts, process payments for searches performed, and maintain accounts for insurance agents accessing the system. Workload will also increase to provide training and update rules, forms, manuals, and websites to reflect this change. This workload can be accomplished within existing appropriations.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Information Technology
Revenue

Public Safety
Transportation

Regulatory Agencies