

**Second Regular Session
Seventy-second General Assembly
STATE OF COLORADO**

PREAMENDED

This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading

LLS NO. 20-1057.02 Jery Payne x2157

HOUSE BILL 20-1339

HOUSE SPONSORSHIP

Melton and Van Winkle,

SENATE SPONSORSHIP

Todd, Tate

House Committees

Transportation & Local Government
Finance

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE CONDITIONS UNDER WHICH DEMONSTRATION**
102 **PLATES MAY BE USED ON MOTOR VEHICLES BEFORE THE**
103 **VEHICLES ARE SOLD TO CUSTOMERS.**

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>.)

Current law creates demonstration plates that a motor vehicle dealership may use without registering the motor vehicle. The bill authorizes these plates to be used when the motor vehicle is:

- ! Offered for sale by the dealer on the dealer's property;
- ! Driven by a prospective buyer for demonstration-drive

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

- ! purposes during normal business hours;
- ! Driven by a prospective buyer for demonstration-drive purposes outside of normal business hours if the prospective buyer has a letter from the dealer authorizing the buyer to operate the motor vehicle with the demonstration plates and the letter contains certain information; or
- ! Driven by a dealer employee, during normal business hours, to conduct legitimate dealership business; except that the authorization excludes tow vehicles, parts pickup or delivery vehicles, courtesy shuttle vehicles, rental vehicles, haulers, or vehicles bearing the dealer's name or advertisement, other than the small dealer badge normally affixed to the rear of vehicles or the license plate holders bearing the dealer's name.

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

2 **SECTION 1.** In Colorado Revised Statutes, 42-3-116, **add** (7)(e)
3 as follows:

4 **42-3-116. Manufacturers or dealers.** (7) (e) A MOTOR VEHICLE
5 DEALER MAY DISPLAY A DEMONSTRATION PLATE ON A MOTOR VEHICLE
6 OWNED BY THE DEALER THAT IS:

7 (I) OFFERED FOR SALE BY THE DEALER ON THE DEALER'S
8 PROPERTY;

9 (II) DRIVEN BY A PROSPECTIVE BUYER FOR
10 DEMONSTRATION-DRIVE PURPOSES DURING NORMAL BUSINESS HOURS;

11 (III) DRIVEN BY A PROSPECTIVE BUYER FOR
12 DEMONSTRATION-DRIVE PURPOSES OUTSIDE OF NORMAL BUSINESS HOURS
13 IF:

14 (A) THE PROSPECTIVE BUYER HAS A LETTER, ELECTRONIC MAIL, OR
15 RECORD WITHIN THE VEHICLE FROM THE DEALER AUTHORIZING THE BUYER
16 TO OPERATE THE MOTOR VEHICLE WITH THE DEMONSTRATION PLATE
17 OUTSIDE OF NORMAL BUSINESS HOURS; AND

1 (B) THE AUTHORIZATION LETTER, ELECTRONIC MAIL, OR RECORD
2 INCLUDES THE NAME AND ADDRESS OF THE PROSPECTIVE BUYER,
3 DEMONSTRATION PLATE NUMBER, DATE OF THE DEMONSTRATION DRIVE,
4 VEHICLE MAKE, VEHICLE MODEL, AND VEHICLE IDENTIFICATION NUMBER;
5 OR

6 (IV) DRIVEN BY A DEALER EMPLOYEE, DURING NORMAL BUSINESS
7 HOURS, TO CONDUCT LEGITIMATE DEALERSHIP BUSINESS; EXCEPT THAT
8 THE AUTHORIZATION IN THIS SUBSECTION (7)(e)(IV) EXCLUDES EACH OF
9 THE FOLLOWING TYPES OF MOTOR VEHICLES OWNED BY THE DEALER:

10 (A) TOW VEHICLES;

11 (B) PARTS PICKUP OR DELIVERY VEHICLES;

12 (C) COURTESY SHUTTLE VEHICLES;

13 (D) RENTAL VEHICLES;

14 (E) HAULERS; OR

15 (F) VEHICLES BEARING THE DEALER'S NAME OR ADVERTISEMENT,
16 OTHER THAN THE SMALL DEALER BADGE NORMALLY AFFIXED TO THE REAR
17 OF VEHICLES OR THE LICENSE PLATE HOLDERS BEARING THE DEALER'S
18 NAME.

19 **SECTION 2. Safety clause.** The general assembly hereby finds,
20 determines, and declares that this act is necessary for the immediate
21 preservation of the public peace, health, or safety.