

CHAPTER 135

MOTOR VEHICLES AND TRAFFIC REGULATION

HOUSE BILL 22-1339

BY REPRESENTATIVE(S) Herod and McCluskie, Ransom, Gray, Titone;
also SENATOR(S) Zenzinger and Rankin, Hansen, Fields, Moreno.

AN ACT

CONCERNING THE COLORADO DRIVES VEHICLE SERVICES ACCOUNT OF THE HIGHWAY USERS TAX FUND, AND, IN CONNECTION THEREWITH, MERGING THE LICENSING SERVICES CASH FUND INTO THE ACCOUNT AND REQUIRING ACCOUNT INVESTMENT EARNINGS TO BE CREDITED TO THE ACCOUNT.

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

SECTION 1. In Colorado Revised Statutes, 42-1-211, **amend** (2) as follows:

42-1-211. Driver's license, record, identification, and vehicle enterprise solution. (2) (a) ~~Repealed.~~

(b) ~~(f)~~ There is hereby created the Colorado DRIVES vehicle services account in the highway users tax fund for the purpose of providing funds for the development and operation of Colorado DRIVES, including operations performed under articles 2, 3, 4, 6, 7, and 12 of this title 42, to cover the costs of administration and enforcement of the motorist insurance identification database program created in section 42-7-604, and to purchase and issue license plates, decals, and validating tabs in accordance with article 3 of this title 42. Money received from the fees imposed by ~~section~~ **SECTIONS 38-29-138 (1), (2), (4), and (5), and sections 42-1-206 (2)(a), 42-1-210 (1)(a)(II), 42-1-231, 42-1-233 (3)(b), 42-2-107 (1)(a)(I), 42-2-114 (2)(b), (2)(c)(I), (2)(c)(II), (2)(e), and (4)(a), 42-2-114.5 (1), 42-2-117 (1), 42-2-118 (1)(b)(I)(C) and (1.5)(b), 42-2-133 (2), 42-2-306 (2), 42-2-406 (1), (2), (3)(d), and (6), 42-2-508 (1), 42-3-107 (22), 42-3-213 (1)(b)(IV), 42-3-304 (18)(d)(I)(B), 42-3-306 (14), 42-3-312, 42-3-313 (2)(c)(I), and 42-6-110 (1.7)(c), 42-6-137 (1), (2), (4), (5), and (6), as well as AND 42-6-138 (1)(a), (2), AND (4) AND** any money received through gifts, grants, and donations to the account from private or public sources for the purposes of this section, shall be credited by the state treasurer to the Colorado DRIVES vehicle services account. ~~THE STATE TREASURER~~

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

SHALL CREDIT ALL INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE COLORADO DRIVES VEHICLE SERVICES ACCOUNT TO THE ACCOUNT. The general assembly shall appropriate annually the money in the account for the purposes of this subsection (2). If any unexpended and unencumbered money remains in the account at the end of a fiscal year, the balance remains in the account and is not transferred to the general fund or any other fund.

~~(H) Repealed.~~

SECTION 2. In Colorado Revised Statutes, 42-2-114.5, **amend** (1) and (3); and **add** (5) and (6) as follows:

42-2-114.5. Fees for drivers' licenses, identification cards, and related services - crediting to DRIVES account - fee setting procedures - rules - repeal.

~~(1) The licensing services cash fund is hereby created in the state treasury. The general assembly shall appropriate moneys in the fund to the department for the cost of implementing this article.~~ ALL NET REVENUE RECEIVED BY THE DEPARTMENT FROM THE FEES SPECIFIED IN SUBSECTION (2) OF THIS SECTION, AS SUCH FEES MAY BE RAISED OR LOWERED BY THE DEPARTMENT IN ACCORDANCE WITH SUBSECTION (3) OF THIS SECTION, SHALL BE CREDITED TO THE COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2).

~~(3) (a) Except as set forth in paragraph (b) of this subsection (3), beginning July 1, 2015, The department may raise or lower the fees listed in subsection (2) of this section, but the department shall not increase the fee by more than twenty percent before July 1, 2016, or by more than five percent per year. on or after July 1, 2016.~~

~~(b) The department shall not raise or lower the fees listed in paragraphs (a), (b), (f), (g), (n), and (o) of subsection (2) of this section before July 1, 2017, and the fee listed in paragraph (d) of subsection (2) of this section before July 1, 2019.~~

(5) (a) ON JULY 1, 2022, THE STATE TREASURER SHALL TRANSFER ALL MONEY IN THE LICENSING SERVICES CASH FUND THAT WAS CREATED IN SUBSECTION (1) OF THIS SECTION AS IT EXISTED PRIOR TO JULY 1, 2022, TO THE COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2).

(b) THIS SUBSECTION (5) IS REPEALED, EFFECTIVE JULY 1, 2023.

(6) (a) ANY REFERENCE IN THE STATE FISCAL YEAR 2022-23 LONG APPROPRIATIONS BILL TO THE LICENSING SERVICES CASH FUND SHALL BE DEEMED TO BE A REFERENCE TO THE COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2), AND ANY APPROPRIATION MADE IN THE STATE FISCAL YEAR 2022-23 LONG BILL FROM OR TO THE LICENSING SERVICES CASH FUND SHALL BE DEEMED TO BE AN APPROPRIATION FROM OR TO THE COLORADO DRIVES VEHICLE SERVICES ACCOUNT.

(b) THIS SUBSECTION (6) IS REPEALED, EFFECTIVE JULY 1, 2024.

SECTION 3. In Colorado Revised Statutes, 24-75-402, **repeal** (5)(jj) as follows:

24-75-402. Cash funds - limit on uncommitted reserves - reduction in the

amount of fees - exclusions. (5) Notwithstanding any provision of this section to the contrary, the following cash funds are excluded from the limitations specified in this section:

(jj) ~~The licensing services cash fund created in section 42-2-114.5 (1);~~

SECTION 4. In Colorado Revised Statutes, 39-28.8-501, **amend** (7)(a) as follows:

39-28.8-501. Marijuana tax cash fund - creation - distribution - legislative declaration - repeal. (7) (a) On July 1, 2022, and on July 1 of each year thereafter, the state treasurer shall make the following transfers from the fund:

(I) Seven hundred fifty-three thousand dollars to the ~~licensing services cash fund created in section 42-2-114.5~~ COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2) for use by the hearings division; and

(II) Six hundred forty-eight thousand dollars to the ~~licensing services cash fund created in section 42-2-114.5~~ COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2) for use by the division of motor vehicles.

SECTION 5. In Colorado Revised Statutes, 42-1-206, **amend** (2)(a) as follows:

42-1-206. Records open to inspection - furnishing of copies - rules. (2) (a) Except as provided in subsection (6) of this section, upon written application and the payment of a fee per copy, or a record search for each copy requested, the department shall furnish to any person a photostatic copy of any specified record or accident report specifically made a public record by this title and shall, if requested, certify the same. The department shall set the fee in accordance with section 42-2-114.5. The department shall transfer the fee to the state treasurer, who shall credit the fee to the ~~licensing services cash fund; except that the treasurer shall credit:~~

(I) ~~Ten cents of each fee collected by the authorized agent to the special purpose account established under section 42-1-211; and~~

(II) ~~The entire fee for vehicle and manufactured home records, if collected directly by the department, to the special purpose account established under section 42-1-211~~ COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2).

SECTION 6. In Colorado Revised Statutes, 42-1-233, **amend** (3)(b) as follows:

42-1-233. Expedited registration program - private vendor providing services to register Class A commercial vehicles - rules. (3) (b) The department shall transfer any money accepted under this subsection (3) to the state treasurer, who shall credit it to the Colorado DRIVES vehicle services account created in ~~section 42-1-211 (2)(b)(I)~~ SECTION 42-1-211 (2).

SECTION 7. In Colorado Revised Statutes, 42-2-107, **amend** (1)(a)(I) as follows:

42-2-107. Application for license or instruction permit - anatomical gifts - donations to Emily Keyes - John W. Buckner organ and tissue donation awareness fund - legislative declaration - rules - annual report - repeal.

(1) (a) (I) To be acceptable, every application for an instruction permit or for a driver's or minor driver's license must be made upon forms furnished by the department and accompanied by the required fee. The department shall set the fee in accordance with section 42-2-114.5 (2). The department shall transfer the fee to the state treasurer, who shall credit it to the ~~licensing services cash fund created in section 42-2-114.5 (1)~~ COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2). Every applicant shall submit with the application proof of age or proof of identity, or both, as the department may require.

SECTION 8. In Colorado Revised Statutes, **amend** 42-2-113 as follows:

42-2-113. License examiners appointed. The department may appoint license examiners for any county in this state to conduct local examinations for all types of drivers' licenses. The officers of the department shall conduct the examination as prescribed by law for all drivers in the county and collect the fees as provided in section 42-2-114 and remit the same to the department, which shall transfer the same to the credit of the highway users tax fund. ~~except that, for fiscal years 2012-13 through 2014-15, to the state treasurer, who shall credit the fees to the licensing services cash fund created in section 42-2-114.5.~~

SECTION 9. In Colorado Revised Statutes, 42-2-114, **amend** (2)(b), (2)(c) introductory portion, (2)(c)(I), (2)(c)(II), (2)(e), and (4)(a) as follows:

42-2-114. License issued - voluntary disability identifier symbol - fees - rules - report - definitions. (2) (b) The department shall transfer the fee to the state treasurer, who shall credit the fee to the ~~licensing services cash fund created in section 42-2-114.5~~ COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2).

(c) ~~Notwithstanding paragraph (b) of this subsection (2)~~ SUBSECTION (2)(b) OF THIS SECTION:

(I) If the driver's license is issued by the office of a county clerk and recorder in a county with a population of at least one hundred thousand individuals, the county clerk and recorder shall retain the sum set forth in ~~subparagraph (I.5) of this paragraph (c)~~ SUBSECTION (2)(c)(I.5) OF THIS SECTION and forward the remainder to the department for transmission to the state treasurer, who shall credit the remainder of the fee to the ~~licensing services cash fund~~ COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2).

(II) If the driver's license is issued by an office of a county clerk and recorder in a county with a population of fewer than one hundred thousand individuals, the county clerk and recorder shall retain the sum set forth in ~~subparagraph (II.5) of this paragraph (c)~~ SUBSECTION (2)(c)(II.5) OF THIS SECTION and forward the remainder to the department for transmission to the state treasurer, who shall credit the remainder of the fee to the ~~licensing services cash fund~~ COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2).

(e) In addition to the fee established in ~~paragraph (a) of this subsection (2)~~ SUBSECTION (2)(a) OF THIS SECTION, a surcharge is added for issuance of a driver's or minor driver's license, or instruction permit, when an applicant retakes either the examination of knowledge of the traffic laws of this state or the demonstration of the applicant's ability to exercise ordinary and reasonable care and control in the operation of a motor vehicle. The surcharge applies regardless of whether the applicant retakes the examination or demonstration with the department or a vendor approved by the department. The department shall set the surcharge by rule in an amount to offset the direct and indirect cost of giving the failed examination or demonstration. The department shall transfer the surcharge to the state treasurer, who shall credit it to the ~~licensing services cash fund, created in section 42-2-114.5~~ COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2).

(4)(a) A fee is required for the issuance of a minor driver's license, which expires twenty days after the twenty-first birthday of the licensee. The department shall set the fee in accordance with section 42-2-114.5 (2). The department shall transfer the fee to the state treasurer, who shall credit it to the ~~licensing services cash fund created in section 42-2-114.5 (1)~~ COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2). In the case of the issuance of any minor driver's license by the office of the county clerk and recorder, the fee for the minor driver's license is apportioned in the same manner as for the issuance of a driver's license in accordance with ~~paragraph (e) of subsection (2)~~ SUBSECTION (2)(c) of this section.

SECTION 10. In Colorado Revised Statutes, 42-2-117, **amend** (1) as follows:

42-2-117. Duplicate permits and minor licenses - replacement licenses. (1) If an instruction permit or a minor driver's license issued under this article is lost, stolen, or destroyed, the person to whom it was issued, upon request and the payment of a fee to the department, may obtain a duplicate or substitute upon furnishing satisfactory proof to the department that the permit or minor license was lost, stolen, or destroyed and that the applicant is qualified to have a permit or license. The department shall set the fees for a first duplicate and for any subsequent duplicate in accordance with section 42-2-114.5. The department shall transfer either fee to the state treasurer, who shall credit it to the ~~licensing services cash fund created in section 42-2-114.5~~ COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2).

SECTION 11. In Colorado Revised Statutes, 42-2-118, **amend** (1)(b)(I)(C) and (1.5)(b) as follows:

42-2-118. Renewal of license in person, by mail, or electronically - donations to Emily Keyes - John W. Buckner organ and tissue donation awareness fund - rules - report - repeal. (1) (b) (I) (C) The department shall transfer the fees paid in accordance with this subsection (1)(b) to the state treasurer, who shall credit them to the ~~licensing services cash fund, created in section 42-2-114.5 (1)~~ COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2). The extensions authorized in this subsection (1)(b) become null and void ninety days after the licensee renews his or her residency in the state or otherwise becomes able to comply with subsection (1)(a) of this section. The department shall grant no more than one extension under this subsection (1)(b) unless a resident of this state, other

than a resident who had been issued a license under part 5 of this article 2, is temporarily residing in a foreign country, in which case the department may grant no more than two one-year extensions.

(1.5) (b) Pursuant to sections 24-19.5-103 (3) and 29-11.5-103 (3), ~~C.R.S.~~, the department shall not allow any third-party charges that may be assessed to complete the electronic transaction to reduce the amount of revenue that would otherwise be required to be distributed to the highway users tax fund or the ~~licensing services cash fund~~ COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2).

SECTION 12. In Colorado Revised Statutes, 42-2-133, **amend** (2) as follows:

42-2-133. Surrender and return of license. (2) At the end of the period of suspension, the licensee may apply for and receive a replacement license upon payment of a fee. The department shall set the fee in accordance with section 42-2-114.5 (2). The department shall transfer the fee to the state treasurer, who shall credit it to the ~~licensing services cash fund created by section 42-2-114.5 (1)~~ COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2).

SECTION 13. In Colorado Revised Statutes, 42-2-306, **amend** (2) as follows:

42-2-306. Fees - disposition. (2) Fees collected under this section shall be remitted monthly to the state treasurer, who shall deposit the fee in the ~~licensing services cash fund created in section 42-2-114.5~~ COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2).

SECTION 14. In Colorado Revised Statutes, 42-2-406, **amend** (1), (2), (3)(d), and (6) as follows:

42-2-406. Fees - rules. (1) A fee is required for the issuance of a commercial driver's license. The department shall set the fee in accordance with section 42-2-114.5. The department shall transfer the fee to the state treasurer, who shall credit it to the ~~licensing services cash fund created in section 42-2-114.5~~ COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2). The license expires on the birthday of the applicant in the fourth year after its issuance. When issuing a commercial driver's license, the office of the county clerk and recorder shall retain eight dollars and shall forward the remainder to the department for transmission to the state treasurer, who shall credit it to the ~~licensing services cash fund~~ COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2).

(2) The fee for a person eighteen years of age or older for issuance of a minor driver's license that authorizes operation of a commercial motor vehicle upon the highways is the same as for a commercial driver's license issued under subsection (1) of this section. The department shall transfer the fee to the state treasurer, who shall credit it to the ~~licensing services cash fund created in section 42-2-114.5~~ COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2). When issuing a minor driver's license, the office of the county clerk and recorder shall retain eight dollars and shall forward the remainder to the department

for transmission to the state treasurer, who shall credit it to the ~~licensing services cash fund created in section 42-2-114.5~~ COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2).

(3) (d) The department shall forward all fees collected for the administration of driving tests to the state treasurer, who shall credit them to the ~~licensing services cash fund~~ COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2).

(6) The department shall forward all fees collected for the issuance of testing unit licenses and driving test licenses under subsections (4) and (5) of this section to the state treasurer, who shall credit the fees to the ~~licensing services cash fund~~ COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2).

SECTION 15. In Colorado Revised Statutes, 42-2-508, **amend** (1) as follows:

42-2-508. Fees - operations - rule. (1) The department may promulgate a rule imposing an additional fee for issuance of a document issued under this part 5 to cover the direct and indirect cost of implementing this part 5. The department shall set the fee in accordance with section 42-2-114.5 (2). The department shall transfer the fees to the state treasurer, who shall credit the fees to the ~~licensing services cash fund, created in section 42-2-114.5 (1)~~ COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2).

SECTION 16. In Colorado Revised Statutes, 42-3-107, **amend** (22) as follows:

42-3-107. Taxable value of classes of property - rate of tax - when and where payable - department duties - apportionment of tax collections - definitions - rules - repeal. (22) Each authorized agent shall retain, out of the amount of annual specific ownership tax collected on each item of classified personal property, the sum of fifty cents ~~which sum shall constitute~~ AS remuneration for the collection of such tax. The sums so retained shall be transmitted to the county treasurer and credited in the manner provided by law. In addition, each authorized agent shall retain, out of the amount of annual specific ownership tax collected on each item of classified personal property, the sum of fifty cents, which ~~sum~~ shall be transmitted to the state treasurer ~~who shall credit the same~~ AND CREDITED to the ~~special purpose account established under section 42-1-211~~ COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2).

SECTION 17. In Colorado Revised Statutes, 42-3-213, **amend** (1)(b)(IV) as follows:

42-3-213. License plates - military veterans - rules - retirement. (1) (b) (IV) One dollar of each additional fee collected from purchasers of license plates issued under subsections (4) and (5) of this section shall be retained by the authorized agent, and one dollar and fifteen cents of each additional fee shall be credited to the ~~special purpose account established under section 42-1-211~~ COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2).

SECTION 18. In Colorado Revised Statutes, **amend** 42-3-312 as follows:

42-3-312. Special license plate surcharge. In addition to any other fee imposed by this article 3, an applicant for a special license plate created by rule in accordance with section 42-3-207, as the section existed when the plate was created, or special license plates issued pursuant to sections 42-3-211 to 42-3-214, sections 42-3-217 to 42-3-218, sections 42-3-221 to 42-3-234, sections 42-3-237 to 42-3-258, and section 42-3-260 shall pay an issuance fee of twenty-five dollars; except that the fee is not imposed on special license plates exempted from additional fees for the issuance of a military special license plate by section 42-3-213 (1)(b)(II). The department shall transfer the fee to the state treasurer, who shall credit it to the ~~licensing services cash fund created in section 42-2-114.5~~ COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2).

SECTION 19. In Colorado Revised Statutes, 42-6-110, **amend** (1.7)(c) as follows:

42-6-110. Certificate of title - transfer - department records - rules - definition. (1.7) (c) The department may charge the insurer, the insurer's agent, the salvage pool, a motor vehicle dealer, a used motor vehicle dealer, or a person approved by the department a fee in an amount not to exceed the lesser of five dollars or the direct and indirect costs of implementing this subsection (1.7). The department shall deposit the fee in the ~~special purpose account created in section 42-1-211~~ COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2).

SECTION 20. In Colorado Revised Statutes, 42-6-138, **amend** (1)(a), (2), and (4) as follows:

42-6-138. Disposition of fees. (1) (a) All fees received by the authorized agent under section 42-6-137 (1)(a), (2), or (4) or 38-29-138 (1)(a), (2), or (4) ~~C.R.S.~~, upon application for a certificate of title, shall be disposed of as follows: Four dollars shall be retained by the authorized agent and disposition made as provided by law; three dollars and twenty cents shall be credited to the ~~special purpose account established by section 42-1-211~~ COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2).

(2) The authorized agent shall dispose of all fees collected under section 42-6-137 (5) or 38-29-138 (5) ~~C.R.S.~~, as follows:

(a) For a copy of a recorded certificate of title, six dollars and fifty cents shall be retained by the authorized agent and disposition made as provided by law; and one dollar and seventy cents shall be credited to the ~~special purpose account established by section 42-1-211~~ COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2); and

(b) For assignment of a new identifying number to a motor or off-highway vehicle or manufactured home, the authorized agent shall retain two dollars and fifty cents and dispose of it as provided by law and shall credit one dollar to the ~~special purpose account established by section 42-1-211~~ COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2). The department shall credit

all fees it collects under section 42-6-137 (1)(a), (4), or (5) or 38-29-138 (1)(a), (4), or (5) ~~C.R.S.~~, to the ~~special purpose account~~ COLORADO DRIVES VEHICLE SERVICES ACCOUNT.

(4) The director shall credit the fee paid by a motor or off-highway vehicle dealer pursuant to section 42-6-137 (6) for issuance of a certificate of title within one working day after application to the ~~special purpose account established by section 42-1-211 (2)~~ COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2).

SECTION 21. Effective date. (1) Except as otherwise provided in this section, this act takes effect July 1, 2022.

(2) Section 4 of this act takes effect only if House Bill 22-1338 does not become law.

SECTION 22. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety.

Approved: April 25, 2022