

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

INTRODUCED

LLS NO. 23-0261.01 Josh Schultz x5486

SENATE BILL 23-019

SENATE SPONSORSHIP

Kolker,

HOUSE SPONSORSHIP

(None),

Senate Committees

Business, Labor, & Technology

House Committees

A BILL FOR AN ACT

101 **CONCERNING CONSUMER PROTECTION FOR COLORADANS PURCHASING**
102 **VEHICLES FROM OUT-OF-STATE ONLINE RETAILERS.**

Bill Summary

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

The bill requires out-of-state online dealers and salespersons selling motor vehicles or powersports vehicles to submit to the jurisdiction of the motor vehicle dealer board (board) when selling to a Colorado consumer. The bill does not require these online dealers and salespersons to obtain a Colorado dealer license or have a physical location in Colorado if they are licensed in another state but requires them

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.

to comply with Colorado laws and the board's rules.

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

2 **SECTION 1.** In Colorado Revised Statutes, 44-20-104, **amend**
3 (3)(g); and **add** (5) as follows:

4 **44-20-104. Board - oath - meetings - powers and duties - rules.**

5 (3) The board is authorized and empowered:

6 (g) To summarily issue cease-and-desist orders, FOLLOWED BY
7 NOTICE AND A HEARING IN ACCORDANCE WITH SECTION 44-20-122, on
8 such terms and conditions and for such period of time as to the board
9 appears fair and just to: ~~any person who is licensed by the board pursuant~~
10 ~~to this part 1 if the orders are followed by notice and a hearing pursuant~~
11 ~~to section 44-20-122;~~

12 (I) A PERSON WHO IS LICENSED BY THE BOARD PURSUANT TO THIS
13 PART 1; OR

14 (II) A PERSON ENGAGING IN ACTIVITY THAT REQUIRES A LICENSE
15 UNDER THIS PART 1 WHEN PERFORMED IN COLORADO, BUT THE PERSON
16 DOES NOT OPERATE AT A PHYSICAL LOCATION IN COLORADO OR EMPLOY
17 RESIDENTS OF COLORADO.

18 (5) (a) THE BOARD HAS JURISDICTION OVER ACTIVITY THAT:

19 (I) REQUIRES A LICENSE UNDER THIS PART 1 WHEN PERFORMED IN
20 COLORADO; AND

21 (II) INVOLVES A RESIDENT OF COLORADO.

22 (b) WHEN PERFORMING AN ACTIVITY DESCRIBED IN SUBSECTION
23 (5)(a) OF THIS SECTION, A PERSON IS SUBJECT TO THIS PART 1 AND THE
24 RULES PROMULGATED BY THE BOARD UNDER THIS PART 1; EXCEPT THAT
25 THE PERSON NEED NOT OBTAIN A LICENSE UNDER THIS PART 1 IF THE

1 PERSON ENGAGES IN ACTIVITY THAT REQUIRES A LICENSE UNDER THIS
2 PART 1 WHEN PERFORMED IN COLORADO BUT THE PERSON DOES NOT
3 OPERATE AT A PHYSICAL LOCATION IN COLORADO OR EMPLOY RESIDENTS
4 OF COLORADO.

5 **SECTION 2.** In Colorado Revised Statutes, 44-20-404, **amend**
6 (1)(g); and **add** (6) as follows:

7 **44-20-404. Board - powers and duties - rules.** (1) In addition
8 to the duties and powers of the board under section 44-20-104, the board
9 may:

10 (g) Summarily issue ~~to any person who is licensed by the board~~
11 ~~pursuant to this part 4~~ cease-and-desist orders, FOLLOWED BY NOTICE AND
12 A HEARING IN ACCORDANCE WITH SECTION 44-20-421, on such terms and
13 conditions and for such time as the board deems fair and just ~~if the orders~~
14 ~~are followed by notice and a hearing pursuant to this section;~~ TO:

15 (I) A PERSON WHO IS LICENSED BY THE BOARD PURSUANT TO THIS
16 PART 4; OR

17 (II) A PERSON ENGAGING IN ACTIVITY THAT REQUIRES A LICENSE
18 UNDER THIS PART 4 WHEN PERFORMED IN COLORADO, BUT THE PERSON
19 DOES NOT OPERATE AT A PHYSICAL LOCATION IN COLORADO OR EMPLOY
20 RESIDENTS OF COLORADO.

21 (6) (a) THE BOARD HAS JURISDICTION OVER ACTIVITY THAT:

22 (I) REQUIRES A LICENSE UNDER THIS PART 4 WHEN PERFORMED IN
23 COLORADO; AND

24 (II) INVOLVES A RESIDENT OF COLORADO.

25 (b) WHEN PERFORMING AN ACTIVITY DESCRIBED IN SUBSECTION
26 (6)(a) OF THIS SECTION, A PERSON IS SUBJECT TO THIS PART 4 AND THE
27 RULES PROMULGATED BY THE BOARD UNDER THIS PART 4; EXCEPT THAT

1 THE PERSON NEED NOT OBTAIN A LICENSE UNDER THIS PART 4 IF THE
2 PERSON ENGAGES IN ACTIVITY THAT REQUIRES A LICENSE UNDER THIS
3 PART 4 WHEN PERFORMED IN COLORADO BUT THE PERSON DOES NOT
4 OPERATE AT A PHYSICAL LOCATION IN COLORADO OR EMPLOY RESIDENTS
5 OF COLORADO.

6 **SECTION 3. Safety clause.** The general assembly hereby finds,
7 determines, and declares that this act is necessary for the immediate
8 preservation of the public peace, health, or safety.