

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

REENGROSSED

*This Version Includes All Amendments
Adopted in the House of Introduction*

LLS NO. 23-0102.01 Jason Gelender x4330

HOUSE BILL 23-1022

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Transportation, Housing & Local Government
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Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING REGISTRATION OF FLEET VEHICLES THAT ARE PART OF**
102 **RENTAL VEHICLE FLEETS, AND, IN CONNECTION THEREWITH,**
103 **MAKING AN APPROPRIATION.**

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/>.)

Transportation Legislation Review Committee. Current law provides that a license plate expires when the owner transfers or assigns the title or interest in the associated motor vehicle and that the owner cannot transfer such a license plate to another motor vehicle. The bill allows the operator of a rental vehicle fleet (fleet operator), if authorized

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

HOUSE
3rd Reading Unamended
March 6, 2023

HOUSE
Amended 2nd Reading
March 3, 2023

by the department of revenue (DOR), to transfer license plates from one fleet vehicle to another when the fleet operator transfers or assigns the owner's title or interest in the fleet vehicle from which the number plates are being transferred.

In addition, subject to current statutory requirements relating to the use of approved third-party providers, the DOR, to the extent feasible, is required to allow an owner of a rental vehicle fleet that is authorized to transfer license plates to maintain its own inventory of new number plates and to use a third-party provider to handle all or any portion of both its vehicle registration, lien, and titling needs and its number plate inventory ordering, management, and distribution needs. The DOR is also authorized to promulgate rules or establish guidelines to specify or clarify the requirements that an owner of a rental vehicle fleet must meet to apply for, obtain, and maintain authorization to transfer license plates.

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

2 **SECTION 1.** In Colorado Revised Statutes, 42-3-115, **amend as**
3 **it will become effective January 1, 2023,** (5)(a); and **add** (5)(d) as
4 follows:

5 **42-3-115. Registration upon transfer - rules - definitions.**

6 (5) (a) Except as otherwise provided in subsections ~~(5)(b) and (5)(c)~~
7 (5)(b), (5)(c), AND (5)(d) of this section, on and after January 1, 2022,
8 whenever the owner of a motor vehicle that is Class C personal property,
9 as defined in section 42-3-106 (2)(c), transfers or assigns the owner's title
10 or interest, the number plates issued to the owner for the vehicle expire
11 and shall not be transferred by the department to any other motor vehicle.

12 EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (5)(d) OF THIS SECTION,
13 whenever the owner of a motor vehicle that is Class B personal property,
14 as defined in section 42-3-106 (2)(b), Class D personal property, as
15 defined in section 42-3-106 (2)(d), or Class F personal property, as
16 defined in section 42-3-106 (2)(e), transfers or assigns the owner's title or
17 interest, the number plates issued to the owner for the vehicle expire and

1 shall not be transferred by the department to any other motor vehicle. An
2 owner of a motor vehicle whose number plates expire due to the operation
3 of this subsection (5)(a) who wishes to retain the same combination of
4 letters or numbers displayed on the expired license plates retains the
5 priority right to use the combination and may, after surrendering the
6 expired plates to the department, apply for personalized license plates
7 with the combination in the manner specified in section 42-3-211 when
8 registering another motor vehicle.

9 (d) SUBSECTION (5)(a) OF THIS SECTION DOES NOT APPLY TO
10 NUMBER PLATES ISSUED TO A FLEET OPERATOR THAT ARE EASILY LEGIBLE
11 AND IN GOOD CONDITION, AND A FLEET OPERATOR MAY TRANSFER SUCH
12 NUMBER PLATES FROM ONE FLEET VEHICLE TO ANOTHER WHEN THE FLEET
13 OPERATOR TRANSFERS OR ASSIGNS THE OWNER'S TITLE OR INTEREST IN THE
14 FLEET VEHICLE FROM WHICH THE NUMBER PLATES ARE BEING
15 TRANSFERRED.

16 **SECTION 2. Appropriation.** For the 2023-24 state fiscal year,
17 \$2,700 is appropriated to the department of revenue. This appropriation
18 is from the Colorado DRIVES vehicle services account in the highway
19 users tax fund created in section 42-1-211(2), C.R.S. To implement this
20 act, the department may use this appropriation for DRIVES maintenance
21 and support.

22 **SECTION 3. Act subject to petition - effective date.** This act
23 takes effect January 1, 2024; except that, if a referendum petition is filed
24 pursuant to section 1 (3) of article V of the state constitution against this
25 act or an item, section, or part of this act within the ninety-day period
26 after final adjournment of the general assembly, then the act, item,
27 section, or part will not take effect unless approved by the people at the

1 general election to be held in November 2024 and, in such case, will take
2 effect on the date of the official declaration of the vote thereon by the
3 governor.