

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

PREAMENDED

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

LLS NO. 25-0824.01 Jery Payne x2157

HOUSE BILL 25-1189

HOUSE SPONSORSHIP

Mauro,

SENATE SPONSORSHIP

(None),

House Committees

Transportation, Housing & Local Government
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING REGULATION RELATED TO THE REGISTRATION OF MOTOR**
102 **VEHICLES.**

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 sets fees for the titling and registration of vehicles and authorizes county clerks, as authorized agents of the department of revenue (department), to retain a portion of these fees to cover their costs. The bill raises the fees for the following by \$4 and allows the county clerks to retain the additional \$4:

- Issuing:

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.

- Motor vehicle and other vehicle registrations requiring license plates;
- Temporary registration license plates;
- A validation tab, sticker, decal, or certificate for license plates; and
- A certificate of title;
- Filing, extending, or releasing a lien; and
- Obtaining a copy of a recorded title.

The department must increase these fees to account for inflation, but the department may not increase a fee more than 5% per year.

Current law authorizes a county clerk to set fees for shipping and handling of license plates. The bill authorizes the county clerk to set fees for the shipping and handling of motor vehicle documents. The county clerk is required to set and publish the fee by October 15 for registration periods beginning January 1 of the following year.

Current law allows people to register vehicles for less than one year so that each of their vehicles expire on the same month. The bill removes the multiple-vehicle requirement to allow people to register a vehicle for less than one year for any reason.

Current law requires a salvage vehicle's title to have a brand that says "rebuilt from salvage". The bill requires this brand to include a disclosure statement, which must:

- Include the reason the vehicle is salvage, as listed in statute;
- Contain a statement from the owner stating the nature of the damage that resulted in the determination that the vehicle is a salvage vehicle; and
- Contain the signature of the seller and buyer to sell the salvage vehicle.

Current law requires the seller of a salvage vehicle to provide a disclosure statement of the fact and have it signed. And if the buyer does not know about the vehicle being rebuilt from salvage, the buyer is entitled to a refund. The bill requires this disclosure statement and the buyer to be provided the refund only if the title of a salvage vehicle does not have the brand on the title or the vehicle is subject to multiple assignments.

Current law provides the option to have a rebuilder's certificate of title when a motor vehicle is a collector's item, the applicant is unable to provide appropriate evidence of ownership, and the applicant posts a bond. The bill authorizes the department to issue a rebuilder's certificate of title to people who can prove ownership. Under the current process, 2 bonds may be required. The bill changes the process to require only one bond.

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

2 **SECTION 1.** In Colorado Revised Statutes, 42-1-210, **amend**

3 (1)(a)(II) as follows:

4 **42-1-210. Authorized agents - legislative declaration - fee.**

5 (1) (a) (II) (A) An authorized agent may appoint and employ such motor
6 vehicle registration and license clerks as are actually necessary in the
7 issuance of motor vehicle licenses and may retain for the purpose of
8 defraying these expenses, including mailing, a sum equal to four dollars
9 per paid motor vehicle registration and registration requiring a license
10 plate or plates; individual temporary registration number plates; or a
11 validation tab, sticker, decal, or certificate as provided in sections
12 42-3-201 and 42-3-203. This fee of four dollars applies to every
13 registration of a motor vehicle, except motor vehicles that are specifically
14 exempted from payment of any registration fee by article 3 of this title 42,
15 and THE FEE is required in addition to the annual registration fee
16 prescribed by law for a motor vehicle. ~~When the department collects the~~
17 ~~fee, the department shall transfer the fee to~~ The state treasurer who shall
18 credit ~~it~~ THE FEE to the Colorado DRIVES vehicle services account
19 created in section 42-1-211; except that, if the fee is collected by a
20 third-party provider, the department shall transmit the fee to the
21 authorized agent where the vehicle or special mobile machinery is
22 registered. Authorized agents serve under this part 2 without additional
23 remuneration or fees, except as otherwise provided in articles 1 to 6 of
24 this title 42.

25 (B) THE DEPARTMENT SHALL ANNUALLY ADJUST FOR INFLATION
26 THE FEE IMPOSED IN SUBSECTION (1)(a)(II)(A) OF THIS SECTION; EXCEPT
27 THAT THE DEPARTMENT SHALL NOT RAISE THE FEE BY MORE THAN FIVE

1 PERCENT PER YEAR OR LOWER THE FEE. INFLATION IS MEASURED BY THE
2 ANNUAL PERCENTAGE INCREASE IN THE UNITED STATES DEPARTMENT OF
3 LABOR'S BUREAU OF LABOR STATISTICS CONSUMER PRICE INDEX, OR A
4 SUCCESSOR INDEX, FOR DENVER-AURORA-LAKEWOOD FOR ALL ITEMS
5 PAID FOR BY URBAN CONSUMERS. THE DEPARTMENT MAY ROUND THE FEE
6 TO THE NEAREST DOLLAR.

7 **SECTION 2.** In Colorado Revised Statutes, 42-3-102, **amend**
8 (3)(a) as follows:

9 **42-3-102. Periodic registration - rules.** (3) (a) The department
10 may register vehicles at intervals of less than one year upon payment of
11 the appropriate registration fees, surcharges, and specific ownership tax
12 in order to allow the owner of more than one vehicle to provide for the
13 owner's vehicle registrations to expire simultaneously TO SELECT THE
14 MONTH OF EXPIRATION DURING INITIAL REGISTRATION OR REGISTRATION
15 RENEWAL. THE REQUEST MUST BE MADE ONLY ONE TIME IN THE TWELVE
16 MONTHS AFTER THE TRANSACTION DATE. The owner of a vehicle that is
17 eligible as determined by the authorized agent may elect a registration
18 pursuant to this subsection (3). The department may adopt rules as
19 necessary for the administration of this subsection (3).

20 **SECTION 3.** In Colorado Revised Statutes, 42-3-304, **amend**
21 (22) as follows:

22 **42-3-304. Registration fees - passenger-mile taxes - clean**
23 **screen fund - pilot program - report - rules - definitions.** (22) In
24 addition to any other fees imposed by this section, the AN authorized
25 agent may collect and retain, and an applicant for registration shall MUST
26 pay at the time of registration, a reasonable fee, as determined from time
27 to time by the authorized agent, that approximates IS NECESSARY TO

1 RECOVER the direct and indirect costs incurred not to exceed five dollars,
2 by the authorized agent in shipping and handling those MOTOR VEHICLE
3 DOCUMENTS OR license plates that the applicant has pursuant to section
4 42-3-105 (1)(a), requested that the department OR AUTHORIZED AGENT
5 mail to the owner. ON AN ANNUAL BASIS, AN AUTHORIZED AGENT MAY, ON
6 OR BEFORE OCTOBER 15, CALCULATE AND PUBLISH ON COUNTY
7 PUBLIC-FACING MEDIA THE FEE THAT APPLIES TO THE REGISTRATION
8 PERIOD BEGINNING JANUARY 1 OF THE FOLLOWING YEAR.

9 SECTION 4. In Colorado Revised Statutes, 42-6-107, amend
10 (1)(a)(III) as follows:

11 42-6-107. Certificates of title - contents - rules. (1) (a) (III) If
12 a vehicle shows a brand in the vehicle's title history, or if the vehicle is
13 subject to a brand, the department shall place the appropriate brand on the
14 certificate of title. If the vehicle has multiple brands, the department shall
15 place the most recent brand on the certificate of title and the notice "other
16 brands exist". If the brand is from a certificate of title issued in another
17 jurisdiction, the brand must be carried forward to the Colorado certificate
18 of title along with the name of the jurisdiction originating the brand. On
19 and after January 1, 2027, the appropriate brand is "Lemon Law
20 Buyback" if a motor vehicle is a lemon law buyback vehicle, as defined
21 in section 42-10-101 (1.5). IF THE BRAND IS "REBUILT FROM
22 SALVAGE" AS DESCRIBED IN SECTION 42-6-136.5, THE DEPARTMENT
23 SHALL INCLUDE A STATEMENT OF SALVAGE DISCLOSURE ON THE TITLE.
24 THE STATEMENT OF SALVAGE DISCLOSURE MUST:

25 (A) INCLUDE THE REASON THE VEHICLE IS A SALVAGE VEHICLE, AS
26 LISTED IN SECTION 42-6-102 (17)(a)(I);

27 (B) CONTAIN A STATEMENT FROM THE OWNER STATING THE

1 NATURE OF THE DAMAGE THAT RESULTED IN THE DETERMINATION THAT
2 THE VEHICLE IS A SALVAGE VEHICLE; AND

3 (C) CONTAIN THE SIGNATURE OF THE SELLER AND BUYER TO SELL
4 THE SALVAGE VEHICLE.

5 [REDACTED]

6 **SECTION 5.** In Colorado Revised Statutes, 42-6-206, **amend** (2)
7 introductory portion [REDACTED] as follows:

8 **42-6-206. Disclosure requirements upon transfer of ownership**
9 **of a salvage vehicle - rules - definitions.** (2) ~~Any~~ IF THE TITLE OF A
10 VEHICLE THAT WAS REBUILT FROM SALVAGE DOES NOT HAVE THE
11 "REBUILT FROM SALVAGE" DISCLOSURE ON THE TITLE OR IF THE
12 VEHICLE IS SUBJECT TO MULTIPLE ASSIGNMENTS, A person who THAT sells
13 a THE vehicle rebuilt from salvage for the purpose of transferring
14 ownership of such vehicle shall: [REDACTED]

15 **SECTION 6.** In Colorado Revised Statutes, 42-12-102, **amend**
16 (3)(a); **repeal** (2)(b); and **add** (1)(c) and (2)(c) as follows:

17 **42-12-102. Rebuilder's certificate of title.** (1) (c) IF AN
18 APPLICANT FOR A CERTIFICATE OF TITLE TO A MOTOR VEHICLE IS ABLE TO
19 PROVIDE THE DIRECTOR OR AN AUTHORIZED AGENT WITH A CERTIFICATE
20 OF TITLE DULY TRANSFERRED TO THE APPLICANT OR OTHER EVIDENCE OF
21 OWNERSHIP THAT SATISFIES THE DIRECTOR THAT THE APPLICANT OWNS
22 THE VEHICLE, THE DIRECTOR OR AUTHORIZED AGENT MAY ISSUE A
23 REBUILDER'S TITLE FOR THE MOTOR VEHICLE VALUED PRINCIPALLY
24 BECAUSE OF THE VEHICLE'S EARLY DATE OF MANUFACTURE, DESIGN, OR
25 HISTORICAL INTEREST OR VALUED AS A COLLECTOR'S ITEM IF:

26 (I) THE MOTOR VEHICLE IS NOT ROADWORTHY;

27 (II) THE MOTOR VEHICLE IS AT LEAST TWENTY-FIVE YEARS OLD;

1 (III) THE COMPONENTS OF THE MOTOR VEHICLE INCLUDE AT LEAST
2 A ROLLING CHASSIS; AND

3 (IV) THE APPLICANT OBTAINS A CERTIFIED VEHICLE
4 IDENTIFICATION NUMBER INSPECTION.

5 (2) If a motor vehicle titled under this section is later made
6 roadworthy, the department shall issue to an applicant a standard
7 certificate of title if the applicant:

8 (b) ~~Furnishes a bond under subsection (3) of this section.~~

9 (c) SURRENDERS THE PREVIOUS OWNERSHIP DOCUMENT OR TITLE.

10 (3) (a) ~~To convert a rebuilder's title to a standard certificate of~~
11 ~~title, the~~ TO COMPLY WITH SUBSECTION (1)(a)(VI) OF THIS SECTION, AN
12 applicant ~~shall~~ MUST furnish evidence of a savings account, deposit, or
13 certificate of deposit meeting the requirements of section 11-35-101
14 ~~C.R.S.~~, or a good and sufficient bond with a corporate surety. The
15 account, deposit, certificate, or bond must be in an amount fixed by the
16 director, but not less than twice the reasonable value of the vehicle,
17 determined as of the time of application. The applicant and the applicant's
18 surety ~~shall~~ MUST hold harmless any person ~~who~~ THAT suffers loss or
19 damage by reason of the filing of a certificate of title under this section.

20 **SECTION 7. Act subject to petition - effective date -**
21 **applicability.** (1) This act takes effect July 1, 2027; except that, if a
22 referendum petition is filed pursuant to section 1 (3) of article V of the
23 state constitution against this act or an item, section, or part of this act
24 within the ninety-day period after final adjournment of the general
25 assembly, then the act, item, section, or part will not take effect unless
26 approved by the people at the general election to be held in November
27 2026 and, in such case, will take effect July 1, 2027, or on the date of the

1 official declaration of the vote thereon by the governor, whichever is
2 later.

3 (2) This act applies to titles issued and fees incurred on or after
4 the applicable effective date of this act.