

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

**BILLPAPER**

LLS NO. 21-0554.02 Jery Payne x2157

**SENATE BILL**

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**SENATE SPONSORSHIP**

**Scott,**

**HOUSE SPONSORSHIP**

**(None),**

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**Senate Committees**

**House Committees**

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**A BILL FOR AN ACT**

101      **CONCERNING THE FUNDING OF A SYSTEM FOR ELECTRONIC**  
102                    **TRANSACTIONS MADE BY THIRD-PARTY PROVIDERS RELATED TO**  
103                    **THE REGULATION OF VEHICLES.**

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**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 provides for the implementation of an electronic system to transmit registration, lien, and titling information to the department of revenue (department). The system is currently funded through gifts, grants, and donations. The bill imposes a per-transaction fee up to \$3, set by the department, on third-party providers that issue

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.

registrations and titles to administer the system.

The general assembly is authorized to make an appropriation from the general fund or the highway users tax fund to fund the system.

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

2 **SECTION 1.** In Colorado Revised Statutes, 42-1-234, **amend** (2)  
3 and (3)(a); and **add** (4) as follows:

4 **42-1-234. Electronic vehicle registration and titling - electronic**  
5 **transmission of vehicle lien information - authority - rules - cash fund**  
6 **- electronic transactions fund - gifts, grants, and donations - repeal.**

7 (2) (a) The department is authorized to seek and accept gifts, grants, or  
8 donations from private or public sources, including from third-party  
9 providers, for the purposes of this section; except that the department may  
10 not accept a gift, grant, or donation that is subject to conditions that are  
11 inconsistent with this section or any other law of the state. The  
12 department shall ensure that any funds contributed to the department for  
13 the implementation of the system for the electronic transmission of  
14 registration, lien, and titling information for motor vehicles, off-highway  
15 vehicles, and special mobile machinery are: ~~tracked separately and~~

16 (I) Used only for the implementation of the system; AND

17 (II) TRANSFERRED TO THE STATE TREASURER, WHO SHALL CREDIT  
18 THE FUNDS TO THE ELECTRONIC TRANSACTIONS FUND.

19 (b) (I) IN ADDITION TO THE FEES DESCRIBED IN SUBSECTION (1)(c)  
20 OF THIS SECTION, A THIRD-PARTY PROVIDER SHALL PAY THE DEPARTMENT  
21 A FEE OF UP TO THREE DOLLARS FOR EACH OF THE FOLLOWING TYPES OF  
22 TRANSACTIONS COMPLETED BY THE THIRD-PARTY PROVIDER:

23 (A) ISSUANCE OF OR TRANSFER OF A CERTIFICATE OF TITLE FOR A  
24 MOTOR VEHICLE OR AN OFF-HIGHWAY VEHICLE;

1 (B) ISSUANCE OF OR RENEWAL OF A REGISTRATION FOR A MOTOR  
2 VEHICLE OR SPECIAL MOBILE MACHINERY; AND

3 (C) A TRANSACTION THAT INCLUDES BOTH THE TRANSACTIONS  
4 DESCRIBED IN SUBSECTIONS (2)(b)(I)(A) AND (2)(b)(I)(B) OF THIS  
5 SECTION.

6 (II) THE THIRD-PARTY PROVIDER MAY CHARGE ITS CLIENT THE FEE  
7 IMPOSED IN SUBSECTION (2)(b)(I) OF THIS SECTION.

8 (III) THE DEPARTMENT SHALL SET THE FEE IMPOSED IN  
9 SUBSECTION (2)(b)(I) OF THIS SECTION TO OFFSET THE DIRECT AND  
10 INDIRECT COST OF ADMINISTERING THE ELECTRONIC TRANSMISSION OF  
11 REGISTRATION, LIEN, AND TITLING INFORMATION IN ACCORDANCE WITH  
12 THIS SECTION.

13 (IV) THE DEPARTMENT OF REVENUE SHALL REMIT ALL FEES  
14 COLLECTED UNDER THIS SUBSECTION (2)(b) TO THE STATE TREASURER,  
15 WHO SHALL CREDIT THE FUNDS TO THE ELECTRONIC TRANSACTIONS FUND.

16 (3) (a) The department need not promulgate rules, under  
17 subsection (1) of this section, that implement electronic transactions until  
18 the department ~~receives adequate gifts, grants, or donations~~ HAS  
19 ADEQUATE MONEY IN THE ELECTRONIC TRANSACTIONS FUND to implement  
20 the promulgated rules. The department ~~may~~ SHALL, upon ~~receiving~~  
21 ~~adequate gifts, grants, or donations~~ HAVING ADEQUATE MONEY IN THE  
22 FUND, phase in implementation of this section as reasonable. ~~The~~  
23 ~~department shall not use~~ THE GENERAL ASSEMBLY MAY APPROPRIATE  
24 money from the general fund OR THE HIGHWAY USERS TAX FUND CREATED  
25 IN SECTION 43-4-201 to implement this section.

26 (4) (a) THE ELECTRONIC TRANSACTIONS FUND, REFERRED TO IN  
27 THIS SUBSECTION (4) AS THE "FUND", IS HEREBY CREATED IN THE STATE

1 TREASURY. THE FUND CONSISTS OF MONEY THAT THE GENERAL ASSEMBLY  
2 MAY APPROPRIATE OR TRANSFER TO THE FUND AND MONEY CREDITED TO  
3 THE FUND UNDER THIS SECTION.

4 (b) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND  
5 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE  
6 FUND TO THE FUND.

7 (c) SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL  
8 ASSEMBLY, THE DEPARTMENT MAY EXPEND STATE MONEY FROM THE FUND  
9 TO IMPLEMENT AND ADMINISTER ELECTRONIC TRANSMISSION OF  
10 REGISTRATION, LIEN, AND TITLING INFORMATION IN ACCORDANCE WITH  
11 THIS SECTION.

12 (d) (I) SUBSECTIONS (2)(a) AND (3) OF THIS SECTION AND THIS  
13 SUBSECTION (4) WILL BE REPEALED IF THE DEPARTMENT FULLY  
14 IMPLEMENTS THIS SECTION. UPON FULLY IMPLEMENTING THIS SECTION,  
15 THE EXECUTIVE DIRECTOR OF THE DEPARTMENT SHALL:

16 (A) FIRST, NOTIFY THE STATE TREASURER, WHO SHALL TRANSFER  
17 ANY UNEXPENDED AND UNENCUMBERED MONEY REMAINING IN THE FUND  
18 TO THE HIGHWAY USERS TAX FUND CREATED IN SECTION 43-4-201; AND

19 (B) THEN, NOTIFY THE REVISOR OF STATUTES IN WRITING OF THE  
20 DATE ON WHICH THE CONDITION SPECIFIED IN THIS SUBSECTION (4)(d) HAS  
21 OCCURRED BY E-MAILING THE NOTICE TO  
22 REVISOROFSTATUTES.GA@STATE.CO.US.

23 (II) SUBSECTIONS (2)(a) AND (3) OF THIS SECTION AND THIS  
24 SUBSECTION (4) ARE REPEALED, EFFECTIVE UPON THE DATE IDENTIFIED IN  
25 THE NOTICE THAT THIS SECTION WAS FULLY IMPLEMENTED OR, IF THE  
26 NOTICE DOES NOT SPECIFY THAT DATE, UPON THE DATE OF THE NOTICE TO  
27 THE REVISOR OF STATUTES.

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

