

CHAPTER 298

**MOTOR VEHICLES AND TRAFFIC REGULATION**

HOUSE BILL 99-1293

BY REPRESENTATIVES McElhany, May, Morrison, Stengel, Vigil, and T. Williams;  
also SENATOR Lamborn.

**AN ACT**

CONCERNING THE CREATION OF A SYSTEM TO ALLOW BULK ELECTRONIC TRANSFER OF PUBLIC RECORDS  
MAINTAINED BY THE DEPARTMENT OF REVENUE.

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

**SECTION 1.** 42-1-102, Colorado Revised Statutes, is amended BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS to read:

**42-1-102. Definitions.** As used in articles 1 to 4 of this title, unless the context otherwise requires:

(10.5) "BULK ELECTRONIC TRANSFER" MEANS THE MASS ELECTRONIC TRANSFER OF FILES, UPDATED FILES, OR PORTIONS THEREOF, IN THE SAME FORM AS THOSE FILES EXIST WITHIN THE DEPARTMENT.

(72.5) "PRIMARY USER" MEANS AN ORGANIZATION THAT COLLECTS BULK DATA FOR THE PURPOSE OF IN-HOUSE BUSINESS USE.

(112.5) "VENDOR" MEANS AN ORGANIZATION THAT COLLECTS BULK DATA FOR THE PURPOSE OF RESELLING THE DATA.

**SECTION 2.** 42-1-206, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

**42-1-206. Records open to inspection - furnishing of copies - repeal.**  
(3.7) (a) THE DEPARTMENT SHALL ESTABLISH A SYSTEM TO ALLOW BULK ELECTRONIC TRANSFER OF INFORMATION TO PRIMARY USERS AND VENDORS. SUCH INFORMATION SHALL CONSIST OF THE INFORMATION CONTAINED IN A DRIVER'S LICENSE APPLICATION UNDER SECTION 42-2-107, A DRIVER'S LICENSE RENEWAL

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*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

APPLICATION UNDER SECTION 42-2-118, A DUPLICATE DRIVER'S LICENSE APPLICATION UNDER SECTION 42-2-117, A COMMERCIAL DRIVER'S LICENSE APPLICATION UNDER SECTION 42-2-404, AN IDENTIFICATION CARD APPLICATION UNDER SECTION 42-2-302, A MOTOR VEHICLE TITLE APPLICATION UNDER SECTION 42-6-116, A MOTOR VEHICLE REGISTRATION APPLICATION UNDER SECTION 42-3-112, OR OTHER OFFICIAL RECORD OR DOCUMENT MAINTAINED BY THE DEPARTMENT UNDER SECTION 42-2-121.

(b) THE DEPARTMENT SHALL PROMULGATE RULES GOVERNING CONTRACTS WITH PRIMARY USERS AND VENDORS FOR THE PURPOSE OF ESTABLISHING BULK ELECTRONIC TRANSFER OF INFORMATION TO PRIMARY USERS AND VENDORS AND SHALL REQUIRE THAT THE CONTRACTS INCLUDE, AT A MINIMUM:

(I) A PROVISION FOR A FEE THAT ENCOMPASSES ALL COSTS RELATED TO THE BULK ELECTRONIC TRANSFER OF INFORMATION TO THAT PRIMARY USER OR VENDOR;

(II) A PROVISION THAT PROHIBITS ANY USE NOT OTHERWISE AUTHORIZED BY LAW;

(III) A PROVISION THAT REQUIRES THE PRIMARY USER OR VENDOR TO SPECIFY THE DESIGNATED USE AND RECIPIENTS OF THE INFORMATION; AND

(IV) A PROVISION THAT PROHIBITS ANY RESALE OR TRANSFER OF THE INFORMATION OTHER THAN AS SPECIFIED IN THE CONTRACT.

(c) (I) THE DEPARTMENT SHALL PROVIDE A REPORT TO THE GENERAL ASSEMBLY REGARDING THE CONTRACTS ENTERED INTO WITH PRIMARY USERS AND VENDORS FOR THE PURPOSE OF BULK ELECTRONIC TRANSFER OF INFORMATION BY DECEMBER 31, 1999.

(II) THIS PARAGRAPH (c) IS REPEALED, EFFECTIVE JULY 1, 2000.

(d) THE DEPARTMENT SHALL PROVIDE BULK ELECTRONIC TRANSFER IN ACCORDANCE WITH THE LIMITATIONS AND RESTRICTIONS REGARDING RELEASE OF INFORMATION IN THIS SECTION AS WELL AS SECTION 24-72-204, C.R.S. THE DEPARTMENT SHALL NOT RELEASE PHOTOGRAPHS, ELECTRONICALLY STORED PHOTOGRAPHS, DIGITIZED IMAGES, OR FINGERPRINTS FILED WITH, MAINTAINED BY, OR PREPARED BY THE DEPARTMENT THROUGH BULK ELECTRONIC TRANSFER.

(e) THE DEPARTMENT SHALL FORWARD ALL FEES COLLECTED PURSUANT TO CONTRACTS ENTERED INTO WITH PRIMARY USERS OR VENDORS PURSUANT TO THIS SUBSECTION (3.7) TO THE STATE TREASURER, WHO SHALL CREDIT THE SAME TO THE HIGHWAY USERS TAX FUND. THE GENERAL ASSEMBLY SHALL MAKE ANNUAL APPROPRIATIONS FROM THE GENERAL FUND FOR THE COSTS ASSOCIATED WITH THE ADMINISTRATION OF THIS SUBSECTION (3.7).

(f) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT SHALL PROMULGATE RULES AS ARE CONSISTENT WITH CURRENT LAW AND NECESSARY TO CARRY OUT THE PROVISIONS OF THIS SUBSECTION (3.7).

**SECTION 3.** 24-72-204 (2) (a) (VI), Colorado Revised Statutes, is amended to read:

**24-72-204. Allowance or denial of inspection - grounds - procedure - appeal.**

(2) (a) The custodian may deny the right of inspection of the following records, unless otherwise provided by law, on the ground that disclosure to the applicant would be contrary to the public interest:

(VI) Photographs filed with, maintained by, or prepared by the department of revenue pursuant to section 42-2-121 (2) (c) (I) (F), C.R.S. ~~Copies of photographs, electronically stored photographs, or digitized images may be sold by the department of revenue under section 42-1-206 (3), C.R.S., for the purpose of prevention of fraud.~~

**SECTION 4. Repeal.** 42-1-206 (3), Colorado Revised Statutes, is repealed as follows:

**42-1-206. Records open to inspection - furnishing of copies.** (3) (a) ~~Except as provided in paragraph (d) of this subsection (3), the department may sell copies of photographs, electronically stored photographs, or digitized images that are recorded and maintained as required by section 42-2-121 (2) (c) (I) (F) if such items are to be used solely for the prevention of fraud, including, but not limited to, use in mechanisms intended to prevent the fraudulent use of credit cards, debit cards, checks, or other forms of financial transactions. The use of such photographs, electronically stored photographs, or digitized images obtained pursuant to this subsection (3) is limited to the verification of the identity of the holder of an account and may not be used for any other purpose.~~

~~(b) The department may sell copies of photographs, electronically stored photographs, or digitized images that are recorded and maintained by the department as required by section 42-2-121 (2) (c) (I) (F), upon receipt of the following from an applicant:~~

~~(I) Proof of the identity of the applicant;~~

~~(II) A declaration, in such form as is required by the department, describing how the applicant will use such photographs, electronically stored photographs, or digitized images for the prevention of fraud; and~~

~~(III) Payment of a fee for the photographs, electronically stored photographs, or digitized images. The department shall establish a fee for providing copies of such photographs, electronically stored photographs, or digitized images and all fees collected pursuant to this subsection (3) shall be used to defray the costs of the department in providing such copies to applicants.~~

~~(c) The department may authorize an applicant to obtain copies of photographs, electronically stored photographs, or digitized images directly from a vendor. To obtain such items from a vendor, the applicant shall apply to the department and comply with the provisions of subparagraphs (I) and (II) of paragraph (b) of this subsection (3). If the application is approved by the department, the applicant shall pay the vendor directly for the cost of obtaining the photographs, electronically stored photographs, or digitized images.~~

~~(d) The department may not sell any photograph, electronically stored photograph, or digitized image of a person whose address is required to be kept confidential under~~

~~section 24-72-204 (3.5), C.R.S.~~

**SECTION 5. Effective date.** This act shall take effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution; except that, if a referendum petition is filed against this act or an item, section, or part of this act within such period, then the act, item, section, or part, if approved by the people, shall take effect on the date of the official declaration of the vote thereon by proclamation of the governor.

Approved: June 2, 1999