

SENATE COMMITTEE OF REFERENCE AMENDMENT

Committee on Business, Labor, & Technology.

SB19-249 be amended as follows:

1 Amend printed bill, page 2, after line 1 insert:

2       **"SECTION 1.** In Colorado Revised Statutes, 44-20-104, **amend**  
3 (3)(a), (3)(f)(I), (3)(h) introductory portion, and (3)(l)(I) introductory  
4 portion as follows:

5       **44-20-104. Board - oath - meetings - powers and duties - rules.**

6 (3) The board is authorized and empowered:

7       (a) To promulgate, amend, and repeal rules reasonably necessary  
8 to implement this part 1, including the administration, enforcement,  
9 issuance, and denial of licenses to motor vehicle dealers, motor vehicle  
10 salespersons, used motor vehicle dealers, wholesale motor vehicle auction  
11 dealers, BUSINESS DISPOSERS, and wholesalers, and the laws of the state  
12 of Colorado;

13       (f) (I) To investigate through the director, on its own motion or  
14 upon the written and signed complaint of any person, any suspected or  
15 alleged violation by a motor vehicle dealer, motor vehicle salesperson,  
16 used motor vehicle dealer, wholesale motor vehicle auction dealer,  
17 BUSINESS DISPOSER, or wholesaler of any of the terms and provisions of  
18 this part 1 or of any rule promulgated by the board under the authority  
19 conferred upon it in this section. The board shall order an investigation  
20 of all written and signed complaints, may issue subpoenas, and may  
21 delegate the authority to issue subpoenas to the director, and the director  
22 shall make an investigation of all complaints transmitted by the board  
23 pursuant to section 44-20-105 (3). The board may seek to resolve disputes  
24 before beginning an investigation or hearing through its own action or by  
25 direction to the director.

26       (h) To prescribe the forms to be used for applications for motor  
27 vehicle dealers', motor vehicle salespersons', used motor vehicle dealers',  
28 wholesale motor vehicle auction dealers', BUSINESS DISPOSALS, and  
29 wholesalers' licenses to be issued and to require of the applicants, as a  
30 condition precedent to the issuance of the licenses, such information  
31 concerning their fitness to be licensed under this part 1 as it may consider  
32 necessary. Every application for a motor vehicle dealer's license or used  
33 motor vehicle dealer's license ~~shall~~ MUST contain, in addition to such  
34 information as the board may require, a statement of the following facts:

35       (I) (I) To prescribe a form or forms to be used as a part of a  
36 contract for the sale of a motor vehicle by any motor vehicle dealer,  
37 BUSINESS DISPOSER, or motor vehicle salesperson, other than a retail  
38 installment sales contract subject to the provisions of the "Uniform  
39 Consumer Credit Code", articles 1 to 9 of title 5, which shall include the  
40 following information in addition to any other disclosures or information

1 required by state or federal law:".

2 Renumber succeeding sections accordingly.

3 Page 2, after line 13 insert:

4           **"SECTION 3.** In Colorado Revised Statutes, 44-20-112, **amend**  
5           (1) and (2)(a) as follows:

6           **44-20-112. Bond of licensee.** (1) Before any motor vehicle  
7 dealer's, wholesaler's, wholesale motor vehicle auction dealer's, BUSINESS  
8 DISPOSAL, or used motor vehicle dealer's license ~~shall be~~ is issued by the  
9 board through the executive director to ~~any~~ AN applicant, ~~therefor~~, the  
10 applicant ~~shall~~ MUST procure and file with the board evidence of a  
11 savings account, deposit, or certificate of deposit meeting the  
12 requirements of section 11-35-101 or a good and sufficient bond with  
13 corporate surety thereon duly licensed to do business within the state,  
14 approved as to form by the attorney general of the state, and conditioned  
15 that the applicant ~~shall~~ MUST not practice fraud, make any fraudulent  
16 representation, or violate any of the provisions of this part 1 that are  
17 designated by the board by rule in the conduct of the business for which  
18 the applicant is licensed. A motor vehicle dealer, BUSINESS DISPOSER, or  
19 used motor vehicle dealer ~~shall not be required to~~ NEED NOT furnish an  
20 additional bond, savings account, deposit, or certificate of deposit under  
21 this section if the dealer furnishes a bond, savings account, deposit, or  
22 certificate of deposit under section 44-20-412.

23           (2)(a) The purpose of the bond procured by the applicant pursuant  
24 to subsection (1) of this section and section 44-20-114 (1) is to provide  
25 for the reimbursement for any loss or damage suffered by any retail  
26 consumer caused by violation of this part 1 by a motor vehicle dealer,  
27 used motor vehicle dealer, wholesale motor vehicle auction dealer,  
28 BUSINESS DISPOSER, or wholesaler. For a wholesale transaction, the bond  
29 is available to each party to the transaction; except that, if a retail  
30 consumer is involved, the consumer shall have priority to recover from  
31 the bond. The amount of the bond shall be fifty thousand dollars for a  
32 motor vehicle dealer applicant, used motor vehicle dealer applicant,  
33 wholesale motor vehicle auction dealer applicant, BUSINESS DISPOSAL  
34 APPLICANT, or wholesaler applicant except the amount of the bond shall  
35 be five thousand dollars for those dealers who sell only small utility  
36 trailers that weigh less than two thousand pounds. The aggregate liability  
37 of the surety for all transactions shall not exceed the amount of the bond,  
38 regardless of the number of claims or claimants.".

39 Renumber succeeding sections accordingly.

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