

# An Act

SENATE BILL 20-051

BY SENATOR(S) Priola, Moreno, Pettersen, Scott, Hansen, Lee, Todd;  
also REPRESENTATIVE(S) Valdez A., Catlin, Duran, Froelich, Gray,  
Hooton, Singer, Snyder, Valdez D., Bird, Exum, Kraft-Tharp, Mullica.

CONCERNING LICENSE PLATES, AND, IN CONNECTION THEREWITH,  
SPECIFYING THAT, IN ORDER TO MINIMIZE POTENTIAL LOST  
REGISTRATION REVENUE, THE LICENSE PLATES OF A MOTOR VEHICLE  
THAT IS CLASSIFIED AS CLASS C PERSONAL PROPERTY EXPIRE UPON  
THE SALE OR TRANSFER OF THE MOTOR VEHICLE, AND MAKING AN  
APPROPRIATION.

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

**SECTION 1. Legislative declaration.** (1) The general assembly  
finds and declares that:

(a) Recent national studies have determined that 4% of vehicles on  
the road in the United States are not properly registered or the registration  
is expired. In Colorado it is estimated that as many as 4 out of every 10 cars  
on the road are not properly registered and licensed.

(b) Vehicles out of registration compliance also commonly lack

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*Capital letters or bold & italic numbers indicate new material added to existing law; dashes  
through words or numbers indicate deletions from existing law and such material is not part of  
the act.*

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insurance coverage and emissions testing documentation.

(c) Unregistered and improperly licensed vehicles contribute to significant state and local shortfalls in revenue for critical transportation and other needs.

(d) The financial impact of traffic congestion in the United States is calculated to be \$166 billion annually, reaching \$225 billion by 2025. Readable license plates may be needed to implement traffic congestion mitigation measures in the future.

(e) Law enforcement and public safety officials rely on plate readability and reflectivity to maintain safety on Colorado roads during critical operations, such as an Amber alert. Seventy percent of serious crimes involve a vehicle, and license plates are a low-cost and effective way for law enforcement to identify vehicles. License plates must be readable from a safe distance and readable from a vehicle in motion.

(f) License plates are often the only highly reflective element on vehicles, providing a critically important safety feature for stalled vehicles at night.

(g) Automated tolling systems on Colorado roads require legible, readable license plates to ensure accurate record keeping and to capture revenue from tollway users during the day and at night.

(h) The substantial increase in new residents from other states driving vehicles that are not registered in Colorado has contributed to the loss of critical revenue for transportation and other purposes.

(i) Despite substantial growth in the number of motor vehicles on Colorado's roads, Colorado has not implemented a periodic license plate replacement program in nearly 30 years.

(j) A phased-in license plate reissue program will provide for increased public safety and effectiveness of license plates while minimizing costs and maximizing convenience for drivers.

(k) On average, license plates lose 50% of their reflectivity within 5 to 10 years of use and the average age of motor vehicles in Colorado is 7

to 10 years.

(2) Therefore, the general assembly declares that it is in the best interest of the people of the state of Colorado to implement a phased-in license plate reissue program that will extinguish license plates upon the sale or transfer to a new owner and require motorists to get new license plates at no additional cost to them. Phasing in new license plates in this fashion will improve registration and license plate compliance, generate new and needed revenue for transportation and other purposes, improve vehicle insurance compliance rates, improve vehicle emission control compliance rates, enhance public safety and law enforcement, and improve tollway revenue capture rates.

**SECTION 2.** In Colorado Revised Statutes, 24-30-2208, **amend** (2)(b) as follows:

**24-30-2208. Sale of registration numbers.** (2) (b) Upon receiving the committee's request, the department of revenue shall verify whether the plates are currently issued. FOR PURPOSES OF THIS SUBSECTION (2)(b) AND SUBSECTION (2)(c) OF THIS SECTION, A PLATE THAT EXPIRES DUE TO THE OPERATION OF SECTION 42-3-115 (5)(a) IS CONSIDERED CURRENTLY ISSUED UNTIL THE RIGHT OF THE OWNER OF THE MOTOR VEHICLE TO WHICH THE EXPIRED PLATE WAS AFFIXED TO APPLY TO USE THE REGISTRATION NUMBER OF THE EXPIRED PLATE WHEN REGISTERING ANOTHER MOTOR VEHICLE EXPIRES. If the plate is not currently issued, the department shall reserve the registration number until the committee notifies the department to release the registration number.

**SECTION 3.** In Colorado Revised Statutes, 42-3-115, **add** (5) as follows:

**42-3-115. Registration upon transfer.** (5) (a) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (5)(b) OF THIS SECTION, ON AND AFTER JANUARY 1, 2021, WHENEVER THE OWNER OF A MOTOR VEHICLE THAT IS CLASS C PERSONAL PROPERTY, AS DEFINED IN SECTION 42-3-106 (2)(c), TRANSFERS OR ASSIGNS THE OWNER'S TITLE OR INTEREST, THE NUMBER PLATES ISSUED TO THE OWNER FOR THE VEHICLE EXPIRE AND MAY NOT BE TRANSFERRED TO ANY OTHER MOTOR VEHICLE. AN OWNER OF A MOTOR VEHICLE WHOSE NUMBER PLATES THAT EXPIRE DUE TO THE OPERATION OF THIS SUBSECTION (5)(a) ARE PERSONALIZED LICENSE PLATES ISSUED

PURSUANT TO SECTION 42-3-211 RETAINS THE PRIORITY RIGHT TO USE THE COMBINATION OF LETTERS OR NUMBERS DISPLAYED ON THE EXPIRED PERSONALIZED LICENSE PLATES TO THE EXTENT PROVIDED FOR IN SECTION 42-3-211 AND MAY, AFTER SURRENDERING THE EXPIRED PERSONALIZED LICENSE PLATES TO THE DEPARTMENT, APPLY FOR IDENTICAL PERSONALIZED LICENSE PLATES IN THE MANNER SPECIFIED IN SECTION 42-3-211 WHEN REGISTERING ANOTHER MOTOR VEHICLE. IN ADDITION, AN OWNER OF A VEHICLE WHOSE NUMBER PLATES THAT EXPIRE DUE TO THE OPERATION OF THIS SUBSECTION (5)(a) WERE NOT ORIGINALLY ISSUED AS PERSONALIZED LICENSED PLATES, BUT WHO WISHES TO RETAIN THE SAME COMBINATION OF LETTERS OR NUMBERS DISPLAYED ON THE EXPIRED LICENSE PLATES RETAINS THE PRIORITY RIGHT TO USE THE COMBINATION AND MAY, AFTER SURRENDERING THE EXPIRED PLATES TO THE DEPARTMENT, APPLY FOR PERSONALIZED LICENSE PLATES WITH THE COMBINATION IN THE MANNER SPECIFIED IN SECTION 42-3-211 WHEN REGISTERING ANOTHER MOTOR VEHICLE.

(b) IN ACCORDANCE WITH SECTION 42-12-301 (6), SUBSECTION (5)(a) OF THIS SECTION DOES NOT APPLY TO THE TRANSFER OR ASSIGNMENT OF AN OWNER'S INTEREST IN CLASS C PERSONAL PROPERTY THAT IS A HORSELESS CARRIAGE.

**SECTION 4.** In Colorado Revised Statutes, 42-3-211, **amend** (5) as follows:

**42-3-211. Issuance of personalized plates authorized.** (5) An applicant for issuance of personalized license plates or renewal of such plates shall apply in such form and by such date as the department may require, indicating thereon the combination of letters or numbers requested as a registration number. There shall be no duplication of registration numbers, and the department may refuse to issue any combination of letters or numbers that carry connotations offensive to good taste and decency, are misleading, or duplicate any other license plates provided for in this article **3**. THE DEPARTMENT SHALL APPROVE ANY APPLICATION FOR PERSONALIZED LICENSE PLATES RECEIVED FROM AN INDIVIDUAL WHO WISHES TO RETAIN THE SAME COMBINATION OF LETTERS OR NUMBERS DISPLAYED ON THE INDIVIDUAL'S LICENSE PLATES THAT EXPIRED DUE TO THE OPERATION OF SECTION 42-3-115 (5)(a) AND WHO HAS SURRENDERED THE EXPIRED PLATES TO THE DEPARTMENT UNLESS THE DEPARTMENT DETERMINES THAT THE COMBINATION IS MISLEADING OR DUPLICATES ANOTHER REGISTRATION

NUMBER OR THAT, DUE TO EVOLVING SOCIAL MORES, THE COMBINATION, DESPITE HAVING PREVIOUSLY BEEN ISSUED, CARRIES CONNOTATIONS OFFENSIVE TO GOOD TASTE OR DECENCY.

**SECTION 5.** In Colorado Revised Statutes, 42-3-301, **amend** (2)(a) as follows:

**42-3-301. License plate cash fund - license plate fees.** (2) (a) The fees imposed pursuant to subsection (1) of this section ~~shall be~~ ARE limited to the amount necessary to recover the costs of the production and distribution of any license plates, decals, or validating tabs issued pursuant to this article 3 and the related support functions provided to the department of revenue by the division AND THE AMOUNT OF ANY GENERAL FUND APPROPRIATION FOR STATE FISCAL YEAR 2020-21 MADE TO IMPLEMENT SENATE BILL 20-051, ENACTED IN 2020. WHEN THE BALANCE OF THE LICENSE PLATE CASH FUND CREATED IN SUBSECTION (1)(b) OF THIS SECTION BECOMES SUFFICIENT TO COVER ALL OF THE COSTS DESCRIBED IN SUBSECTION (1)(b) OF THIS SECTION AND TO REPAY THE AMOUNT OF ANY GENERAL FUND APPROPRIATION FOR STATE FISCAL YEAR 2020-21 MADE TO IMPLEMENT SENATE BILL 20-051, ENACTED IN 2020, THE EXECUTIVE DIRECTOR SHALL INSTRUCT THE STATE TREASURER TO TRANSFER AN AMOUNT EQUAL TO THE AMOUNT OF THE APPROPRIATION FROM THE LICENSE PLATE CASH FUND TO THE GENERAL FUND. The correctional industries advisory committee, established pursuant to section 17-24-104 (2), shall annually review and recommend to the director of the division the amounts of the fees to be imposed pursuant to subsection (1) of this section. The director of the division, in cooperation and consultation with the department of revenue and the office of state planning and budgeting, shall annually establish the amounts of the fees imposed pursuant to subsection (1) of this section to recover the division's costs pursuant to this subsection (2).

**SECTION 6. Appropriation.** For the 2020-21 state fiscal year, \$9,000 is appropriated to the department of revenue for use by the division of motor vehicles. This appropriation is from the Colorado DRIVES vehicle services account in the highway users tax fund created in section 42-1-211 (2)(b)(I), C.R.S. To implement this act, the division may use this appropriation for DRIVES maintenance and support.

**SECTION 7. Act subject to petition - effective date.** This act takes effect January 1, 2021; except that, if a referendum petition is filed

pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within the ninety-day period after final adjournment of the general assembly, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2020 and, in such case, will take effect January 1, 2021, or on the date of the official declaration of the vote thereon by the governor, whichever is later.

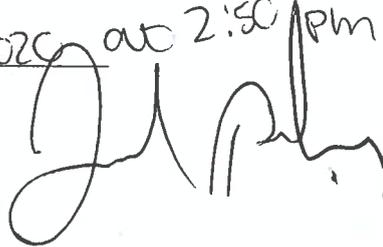
  
  
Leroy M. Garcia  
PRESIDENT OF  
THE SENATE

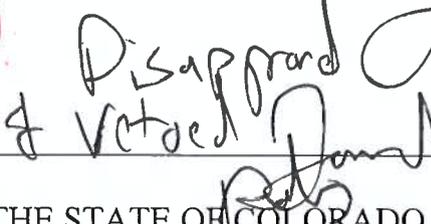
  
KC Becker  
SPEAKER OF THE HOUSE  
OF REPRESENTATIVES

  
Cindi L. Markwell  
SECRETARY OF  
THE SENATE

  
Robin Jones  
CHIEF CLERK OF THE HOUSE  
OF REPRESENTATIVES

DIS APPROVED + vetoed July 11, 2020 at 2:50 PM  
(Date and Time)

  
  
Jared S. Polis  
GOVERNOR OF THE STATE OF COLORADO

  
Disapproved  
& vetoed