

Second Regular Session  
Seventieth General Assembly  
STATE OF COLORADO

**PREAMENDED**

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

LLS NO. 16-0363.02 Jery Payne x2157

**HOUSE BILL 16-1056**

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**HOUSE SPONSORSHIP**

**Tyler,**

**SENATE SPONSORSHIP**

**Baumgardner and Todd,**

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**House Committees**

Transportation & Energy  
Finance  
Appropriations

**Senate Committees**

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**A BILL FOR AN ACT**

101      **CONCERNING A REQUIREMENT THAT THE HOLDER OF AN ABANDONED**  
102           **MOTOR VEHICLE USE THE RECORDS OF A NATIONAL TITLE**  
103           **SEARCH TO NOTIFY PERSONS WITH AN INTEREST IN THE MOTOR**  
104           **VEHICLE THAT THE VEHICLE HAS BEEN TOWED AND IS SUBJECT**  
105           **TO SALE, AND, IN CONNECTION THEREWITH, MAKING AN**  
106           **APPROPRIATION.**

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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://www.leg.state.co.us/billsummaries>.)*

**Transportation Legislation Review Committee.** Currently, when

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
Capital letters indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.

an abandoned motor vehicle has been towed, the responsible law enforcement agency and tow operator notify the department of revenue, which searches its records to determine who owns the vehicle and if there is a lienholder. This information is used to return stolen vehicles and to notify the owner and any lienholder that the vehicle will be sold at an auction if it is not claimed. The bill broadens the records used in the search to include those that can be obtained through a national title search.

The bill also extends the period for a tow operator to notify the owner and any lienholder from three days to five days.

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

2 **SECTION 1.** In Colorado Revised Statutes, 42-4-1804, **amend**  
3 (2) and (6) (a) introductory portion as follows:

4 **42-4-1804. Report of abandoned motor vehicles - owner's**  
5 **opportunity to request hearing.** (2) (a) Upon ~~its~~ receipt of ~~such~~ A report  
6 MADE UNDER SUBSECTION (1) OR (6) OF THIS SECTION, the department  
7 shall search its records to ascertain the last-known owner of record for the  
8 abandoned motor vehicle and any lienholder as those persons are  
9 represented in department records.

10 (b) ~~In the event~~ IF the vehicle is ~~determined by the department~~ not  
11 ~~to be registered in the state of Colorado~~ the report required by this section  
12 ~~shall state that no Colorado title record exists regarding the vehicle~~ WITH  
13 THE DEPARTMENT, THE DEPARTMENT SHALL CONDUCT A TITLE SEARCH  
14 WITH AN ENTITY THAT:

15 (I) HAS A NATIONAL DATABASE;

16 (II) MAY RETRIEVE RECORDS BASED ON BOTH THE VEHICLE  
17 IDENTIFICATION NUMBER AND VEHICLE REGISTRATION NUMBER (LICENSE  
18 PLATE NUMBER); AND

19 (III) PROVIDES THE FOLLOWING INFORMATION: THE VEHICLE  
20 IDENTIFICATION NUMBER, THE VEHICLE REGISTRATION NUMBER, THE

1 OWNER'S NAME AND CONTACT INFORMATION, AND THE LIENHOLDER'S  
2 NAME AND CONTACT INFORMATION.

3 (c) Within ten working days after ~~such~~ receipt OF A REPORT MADE  
4 UNDER SUBSECTION (1) OR (6) OF THIS SECTION, the department shall  
5 complete its search and shall transmit ~~such~~ THE report, together with all  
6 relevant information, to the responsible law enforcement agency OR TOW  
7 OPERATOR.

8 (6) (a) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS  
9 PARAGRAPH (a), an operator or its agent shall, no less than two days, but  
10 no more than ten days after a motor vehicle has been towed, determine if  
11 ~~there is an~~ WHO THE owner IS and IF THERE IS a lienholder ~~represented in~~  
12 ~~department records~~ AND send a notice by certified mail, return receipt  
13 requested, to the last address of the owner ~~as shown on the motor~~  
14 ~~vehicle's registration,~~ and ~~the~~ ANY lienholder ~~as shown on the title,~~ if  
15 ~~either is shown in department records~~ AS DETERMINED FROM RECORDS OF  
16 THE DEPARTMENT OR FROM A NATIONAL SEARCH PERFORMED BY THE  
17 DEPARTMENT.

18 (II) IF THE DEPARTMENT CONDUCTS A NATIONAL TITLE SEARCH IN  
19 ACCORDANCE WITH PARAGRAPH (b) OF SUBSECTION (2) OF THIS SECTION,  
20 EACH DAY ELAPSING BETWEEN THE DEPARTMENT BEING NOTIFIED AND THE  
21 DEPARTMENT RETURNING INFORMATION ON THE MOTOR VEHICLE AS A  
22 RESULT OF THE SEARCH DOES NOT COUNT AGAINST THE TOW OPERATOR'S  
23 TEN-DAY DEADLINE TO CONTACT THE MOTOR VEHICLE'S OWNER OR ANY  
24 LIENHOLDER. THIS SUBPARAGRAPH (II) DOES NOT AFFECT DAILY STORAGE  
25 FEES.

26 (III) The cost of complying with this paragraph (a) ~~shall be~~  
27 ~~considered~~ IS a cost of towing; except that the total of ~~such~~ ALL costs OF

1 COMPLYING WITH THIS SECTION shall not exceed one hundred fifty dollars.  
2 TO COMPLY WITH THIS SUBSECTION (6), the notice to the owner and  
3 lienholder shall MUST be sent within ~~three~~ FIVE days after the operator  
4 receives the information from the department ~~Such notice shall~~ AND MUST  
5 contain the following information:

6 SECTION 2. In Colorado Revised Statutes, 42-4-2103, amend  
7 (3) (c) (I); and add (3) (c) (IV), (3) (c) (V), and (3) (c) (VI) as follows:

8 **42-4-2103. Abandonment of motor vehicles - private property**  
9 **- rules.**

10 (c) (I) (A) An operator or its agent shall, no less than two  
11 days, but no more than ten days after a motor vehicle has been towed or  
12 abandoned, determine if there is an WHO THE owner IS and IF THERE IS A  
13 lienholder ~~represented in department records~~ and send a notice by  
14 certified mail, return receipt requested, to the address of the owner as  
15 shown on the motor vehicle's registration, and the ANY lienholder if either  
16 is shown in department records. ~~Such~~ AS DETERMINED FROM RECORDS OF  
17 THE DEPARTMENT OR FROM THE NATIONAL SEARCH PERFORMED BY THE  
18 DEPARTMENT.

19 (B) IF THE DEPARTMENT CONDUCTS A NATIONAL TITLE SEARCH IN  
20 ACCORDANCE WITH SUBPARAGRAPH (IV) OF THIS PARAGRAPH (c), EACH  
21 DAY ELAPSING BETWEEN THE DEPARTMENT BEING NOTIFIED AND THE  
22 DEPARTMENT RETURNING INFORMATION ON THE MOTOR VEHICLE AS A  
23 RESULT OF THE SEARCH DOES NOT COUNT AGAINST THE TOW OPERATOR'S  
24 TEN-DAY DEADLINE TO CONTACT THE MOTOR VEHICLE'S OWNER OR ANY  
25 LIENHOLDER. THIS SUB-SUBPARAGRAPH (B) DOES NOT AFFECT DAILY  
26 STORAGE FEES.

27 (C) THE notice shall MUST include the information required by the  
report set forth in paragraph (b) of this subsection (3).

1 (D) The cost of complying with ~~the provisions of this paragraph~~  
2 (c) shall be considered IS a cost of towing; except that the total of such  
3 ALL COSTS OF COMPLYING WITH THIS SECTION shall not exceed one hundred  
4 fifty dollars. The TOW OPERATOR SHALL SEND THE notice to the owner and  
5 lienholder ~~shall be sent within three~~ WITHIN FIVE days after receiving the  
6 information from the department.

7 (IV) IF THE TOW OPERATOR DETERMINES IN ACCORDANCE WITH  
8 THIS SUBSECTION (3) THAT THE DEPARTMENT DOES NOT HAVE A CURRENT  
9 RECORD FOR A MOTOR VEHICLE, THE TOW OPERATOR SHALL NOTIFY THE  
10 DEPARTMENT IN WRITING, INCLUDING ELECTRONICALLY. UPON RECEIVING  
11 THE NOTICE, THE DEPARTMENT SHALL CONDUCT A TITLE SEARCH WITH AN  
12 ENTITY THAT:

13 (A) HAS A NATIONAL DATABASE;

14 (B) MAY RETRIEVE RECORDS BASED ON BOTH THE VEHICLE  
15 IDENTIFICATION NUMBER AND VEHICLE REGISTRATION NUMBER ON THE  
16 LICENSE PLATE; AND

17 (C) PROVIDES THE FOLLOWING INFORMATION: THE VEHICLE  
18 IDENTIFICATION NUMBER, THE VEHICLE REGISTRATION NUMBER, THE  
19 OWNER'S NAME AND CONTACT INFORMATION, AND THE LIENHOLDER'S  
20 NAME AND CONTACT INFORMATION.

21 (V) WITHIN TEN WORKING DAYS AFTER RECEIVING THE WRITTEN  
22 NOTICE THAT NO RECORD EXISTS UNDER SUBPARAGRAPH (IV) OF THIS  
23 PARAGRAPH (c), THE DEPARTMENT SHALL COMPLETE ITS SEARCH AND  
24 SHALL TRANSMIT ALL RELEVANT INFORMATION TO THE RESPONSIBLE LAW  
25 ENFORCEMENT AGENCY OR TOW OPERATOR. THIS TEN-DAY PERIOD DOES  
26 NOT DECREASE THE NUMBER OF DAYS A TOW OPERATOR HAS TO NOTIFY  
27 THE OWNER OR LIENHOLDER IN ACCORDANCE WITH THIS PARAGRAPH (c).

1 (VI) THE DEPARTMENT MAY CHARGE THE TOW OPERATOR A FEE IN  
2 AN AMOUNT NOT TO EXCEED THE LESSER OF FIVE DOLLARS OR THE DIRECT  
3 AND INDIRECT COSTS OF IMPLEMENTING THIS PARAGRAPH (c).

4 **SECTION 3. Appropriation.** For the 2016-17 state fiscal year,  
5 \$21,929 is appropriated to the department of revenue for use by the  
6 division of motor vehicles. This appropriation is from the Colorado state  
7 titling and registration account in the highway users tax fund created in  
8 section 42-1-211 (2), C.R.S., and is based on an assumption that the  
9 division will require an additional 0.4 FTE. To implement this act, the  
10 division may use this appropriation for vehicles services.

11 **SECTION 4. Act subject to petition - effective date -**  
12 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following  
13 the expiration of the ninety-day period after final adjournment of the  
14 general assembly (August 10, 2016, if adjournment sine die is on May 11,  
15 2016); except that, if a referendum petition is filed pursuant to section 1  
16 (3) of article V of the state constitution against this act or an item, section,  
17 or part of this act within such period, then the act, item, section, or part  
18 will not take effect unless approved by the people at the general election  
19 to be held in November 2016 and, in such case, will take effect on the  
20 date of the official declaration of the vote thereon by the governor.

21 (2) This act applies to vehicles towed on or after January 1, 2017.