

**Second Regular Session  
Seventy-first General Assembly  
STATE OF COLORADO**

**REVISED**

*This Version Includes All Amendments Adopted  
on Second Reading in the Second House*

LLS NO. 18-0352.01 Jery Payne x2157

**SENATE BILL 18-073**

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**SENATE SPONSORSHIP**

**Smallwood,**

**HOUSE SPONSORSHIP**

**Ransom and Herod, Van Winkle**

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**Senate Committees**  
Finance

**House Committees**  
Transportation & Energy

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**A BILL FOR AN ACT**

101      **CONCERNING REPORTING TO THE DEPARTMENT OF REVENUE WHEN**  
102      **OWNERSHIP OF A MOTOR VEHICLE HAS BEEN TRANSFERRED.**

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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>.)*

The bill creates a program administered by the department of revenue that authorizes the owner of a motor vehicle to report a transfer of ownership of the motor vehicle. If the previous owner reports the transfer to the department, the previous owner is not subject to liability for the misuse of the vehicle. The department will notify owners of the option to report a transfer of ownership by placing a notice on registration

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.*

HOUSE  
2nd Reading Unamended  
March 13, 2018

SENATE  
Amended 3rd Reading  
February 7, 2018

SENATE  
Amended 2nd Reading  
February 6, 2018

renewal information and the title and by notifying the public.

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

2 **SECTION 1.** In Colorado Revised Statutes, 42-6-109, **add** (3) as  
3 follows:

4 **42-6-109. Sale or transfer of vehicle - program.**

5 (3) (a) BEGINNING JANUARY 1, 2019, THE DEPARTMENT SHALL  
6 IMPLEMENT A VOLUNTARY PROGRAM FOR AN OWNER OF A MOTOR VEHICLE  
7 TO NOTIFY THE DEPARTMENT OR AN AUTHORIZED AGENT AFTER  
8 OWNERSHIP OF THE MOTOR VEHICLE IS TRANSFERRED TO ANOTHER PERSON  
9 IN ACCORDANCE WITH SUBSECTIONS (1) AND (2) OF THIS SECTION.

10 (b) A REPORT OF OWNERSHIP TRANSFER IS PROPERLY FILED IF THE  
11 REPORT IS MADE IN A MANNER, WHICH MAY INCLUDE BY ELECTRONIC  
12 MEANS, APPROVED BY THE DEPARTMENT AND RECEIVED BY THE  
13 DEPARTMENT OR AUTHORIZED AGENT WITHIN FIVE BUSINESS DAYS AFTER  
14 THE TRANSFER OF OWNERSHIP, AND INCLUDES THE FOLLOWING:

15 (I) THE DATE AND TIME OF SALE OR TRANSFER;

16 (II) THE FULL NAME OF THE OWNER OF THE MOTOR VEHICLE  
17 BEFORE THE TRANSFER;

18 (III) THE VEHICLE IDENTIFICATION NUMBER OF THE MOTOR  
19 VEHICLE; AND

20 (IV) AN AFFIDAVIT, SIGNED UNDER PENALTY OF PERJURY, THAT  
21 THE REQUIREMENTS FOR THE TRANSFER OF OWNERSHIP IN SUBSECTIONS (1)  
22 AND (2) OF THIS SECTION HAVE BEEN SATISFIED.

23 (c) THE DEPARTMENT SHALL:

24 (I) PROVIDE OR APPROVE ONE OR MORE METHODS FOR REPORTING  
25 THE TRANSFER OF OWNERSHIP;

1 (II) NOTIFY, WITH THE OWNER'S REGISTRATION RENEWAL  
2 INFORMATION, THE OWNER OF A MOTOR VEHICLE OF THE OPTION TO  
3 REPORT THE TRANSFER OF OWNERSHIP OF A MOTOR VEHICLE;

4 (III) NOTIFY THE PUBLIC OF THE OPTION TO REPORT A TRANSFER  
5 OF OWNERSHIP OF A MOTOR VEHICLE;     

6 (IV) PLACE INSTRUCTIONS ON EACH CERTIFICATE OF TITLE  
7 DOCUMENT ISSUED ON OR AFTER THE EFFECTIVE DATE OF THIS SUBSECTION  
8 (3) FOR REPORTING THE TRANSFER OF OWNERSHIP OF A MOTOR VEHICLE;

9 AND

10 (V) FORWARD A COPY OF THE REPORT TO EACH LIENHOLDER OF  
11 RECORD.

12 (d) (I) IF AN OWNER REPORTS A BONA FIDE TRANSFER OF  
13 OWNERSHIP OF A MOTOR VEHICLE IN ACCORDANCE WITH THIS SECTION,  
14 THE OWNER IS NOT LIABLE IN OR SUBJECT TO ANY CIVIL OR CRIMINAL  
15 ACTION BROUGHT AGAINST THE FOLLOWING AFTER THE MOTOR VEHICLE  
16 WAS TRANSFERRED:

17 (A) THE OPERATOR OF THE MOTOR VEHICLE, ARISING FROM THE  
18 USE OF THE MOTOR VEHICLE; AND

19 (B) THE MOTOR VEHICLE.

20 (II) THIS SUBSECTION (3)(d) DOES NOT APPLY TO A CIVIL OR  
21 CRIMINAL ACTION IF THE ACTION IS BROUGHT AGAINST THE OWNER FOR  
22 THE OWNER'S:

23 (A) NEGLIGENCE IN PERMITTING THE PURCHASER TO DRIVE THE  
24 MOTOR VEHICLE AT THE TIME OF SALE;

25 (B) FAILURE TO COMPLY WITH ANY LAW GOVERNING THE SALE OF  
26 THE MOTOR VEHICLE;

27 (C) NEGLIGENCE IN SELLING THE MOTOR VEHICLE;

1           (D) MATERIAL MISSTATEMENT OR OMISSION ABOUT THE  
2           CONDITION OF THE MOTOR VEHICLE; OR

3           (E) FAILURE TO MAKE ANY DISCLOSURE REQUIRED BY LAW.

4           (e) A REPORT FILED UNDER THIS SUBSECTION (3) DOES NOT  
5           EXTINGUISH OR IMPAIR THE RIGHTS OF ANY LIENHOLDER.

6           (f) THIS SUBSECTION (3) DOES NOT REQUIRE THE OWNER WHO  
7           TRANSFERS A MOTOR VEHICLE TO ANOTHER PERSON TO REPORT THE SALE  
8           TO THE DEPARTMENT IN ACCORDANCE WITH THIS SUBSECTION (3).

9           **SECTION 2. Act subject to petition - effective date -**  
10          **applicability.** (1) This act takes effect at 12:01 a.m. on the day following  
11          the expiration of the ninety-day period after final adjournment of the  
12          general assembly (August 8, 2018, if adjournment sine die is on May 9,  
13          2018); except that, if a referendum petition is filed pursuant to section 1  
14          (3) of article V of the state constitution against this act or an item, section,  
15          or part of this act within such period, then the act, item, section, or part  
16          will not take effect unless approved by the people at the general election  
17          to be held in November 2018 and, in such case, will take effect on the  
18          date of the official declaration of the vote thereon by the governor.

19                 (2) This act applies to motor vehicles sold on or after January 1,  
20          2019.