

## CHAPTER 83

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**MOTOR VEHICLES AND TRAFFIC REGULATION**


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**SENATE BILL 18-073**

BY SENATOR(S) Smallwood, Aguilar, Baumgardner, Cooke, Court, Fields, Holbert, Jahn, Jones, Kagan, Kefalas, Kerr, Lundberg, Marble, Martinez Humenik, Merrifield, Neville T., Priola, Scott, Todd, Zenzinger, Grantham;  
also REPRESENTATIVE(S) Ransom and Herod, Van Winkle, Bridges, Exum, Hansen, Humphrey, Lontine, Melton, Reyher, Rosenthal, Valdez.

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

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

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

**42-6-109. Sale or transfer of vehicle - program.** (3) (a) BEGINNING JANUARY 1, 2019, THE DEPARTMENT SHALL IMPLEMENT A VOLUNTARY PROGRAM FOR AN OWNER OF A MOTOR VEHICLE TO NOTIFY THE DEPARTMENT OR AN AUTHORIZED AGENT AFTER OWNERSHIP OF THE MOTOR VEHICLE IS TRANSFERRED TO ANOTHER PERSON IN ACCORDANCE WITH SUBSECTIONS (1) AND (2) OF THIS SECTION.

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

- (I) THE DATE AND TIME OF SALE OR TRANSFER;
- (II) THE FULL NAME OF THE OWNER OF THE MOTOR VEHICLE BEFORE THE TRANSFER;
- (III) THE VEHICLE IDENTIFICATION NUMBER OF THE MOTOR VEHICLE; AND
- (IV) AN AFFIDAVIT, SIGNED UNDER PENALTY OF PERJURY, THAT THE

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

REQUIREMENTS FOR THE TRANSFER OF OWNERSHIP IN SUBSECTIONS (1) AND (2) OF THIS SECTION HAVE BEEN SATISFIED.

(c) THE DEPARTMENT SHALL:

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

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

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

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

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

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

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

(B) THE MOTOR VEHICLE.

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

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

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

(C) NEGLIGENCE IN SELLING THE MOTOR VEHICLE;

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

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

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

(f) THIS SUBSECTION (3) DOES NOT REQUIRE THE OWNER WHO TRANSFERS A

MOTOR VEHICLE TO ANOTHER PERSON TO REPORT THE SALE TO THE DEPARTMENT IN ACCORDANCE WITH THIS SUBSECTION (3).

**SECTION 2. Act subject to petition - effective date - applicability.** (1) This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 8, 2018, if adjournment sine die is on May 9, 2018); 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 such period, 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 2018 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

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

Approved: March 29, 2018