

Second Regular Session
Seventy-second General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 20-0490.02 Jery Payne x2157

HOUSE BILL 20-1337

HOUSE SPONSORSHIP

Melton,

SENATE SPONSORSHIP

(None),

House Committees

Transportation & Local Government

Senate Committees

A BILL FOR AN ACT

101 CONCERNING THE LICENSURE OF AUTOMOBILE RECYCLERS.

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 requires an automobile recycler (recycler) to have a license if the recycler is buying more than 5 vehicles in one year to recycle. In connection with this license requirement, the bill:

- ! Requires that the license be renewed every 2 years to stay current;
- ! Sets qualifications for licensure, including being of good moral character;
- ! Requires fees for submitting an application, being issued a

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.

- license, or renewing a license;
- ! Gives the director of the auto industry division (director) enforcement authority;
- ! To ensure the recycler has the appropriate permits, requires the director to report certain items that are at the recycler's business to the department of public health and environment or the oil and gas conservation commission; and
- ! Gives the director rule-making authority.

The bill requires automobile recyclers to:

- ! Keep permanent daily records of vehicles, equipment, attachments, accessories, and appurtenances that are transferred to or from the recycler;
- ! Make records, vehicles, and parts available for inspection by the director or a peace officer; and
- ! Report each motor vehicle received by the recycler to the national motor vehicle title information system.

The bill requires a person that transfers a vehicle, equipment, attachment, accessory, or appurtenance to a recycler to record certain information in the recycler's records. The following acts are made unlawful:

- ! Failing to obtain an automobile recycler's license if required by the bill;
- ! Intentionally making a material misstatement or omission on a license application; and
- ! Failing to comply with certain existing statutes, for the purpose of imposing discipline on a licensee, including a failure to comply with laws governing recyclers and laws governing the disposal or recycling of fluids or materials.

In connection with discipline of the license holder, the bill:

- ! Authorizes the director to issue or deny licenses, issue cease-and-desist orders, seek a fine of up to \$1,000, and seek suspension or revocation of the license of an automobile recycler; and
- ! Authorizes the division to investigate potential violations, including issuing subpoenas and summonses and procuring criminal records.

Failing to obtain a license or engaging in automobile recycling without an active license is a class 1 misdemeanor. The director may promulgate rules to implement the bill. The bill is scheduled for repeal on September 1, 2030. Before the repeal, the functions of the director in regulating automobile recyclers are scheduled for review in accordance with the sunset law.

A provision that sets standards, including holding a motor vehicle for 7 days, for recyclers who are not licensed as motor vehicle dealers is

repealed.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** article 21 to title
3 44 as follows:

4 **ARTICLE 21**

5 **Automobile Recyclers**

6 **44-21-101. Short title.** THE SHORT TITLE OF THIS ARTICLE 21 IS
7 THE "AUTOMOBILE RECYCLER LICENSING ACT".

8 **44-21-102. Definitions.** AS USED IN THIS ARTICLE 21, UNLESS THE
9 CONTEXT OTHERWISE REQUIRES:

10 (1) (a) "AUTOMOBILE RECYCLER" OR "RECYCLER" MEANS A
11 PERSON THAT:

12 (I) PURCHASES VEHICLES TO RECYCLE AND SELLS RECYCLED
13 MATERIALS; AND

14 (II) IS REQUIRED TO HOLD A LICENSE UNDER SECTION 44-21-103.

15 (b) "AUTOMOBILE RECYCLER" OR "RECYCLER" DOES NOT INCLUDE
16 A PERSON THAT MERELY TRANSFERS USED AUTOMOBILE PARTS.

17 (2) "DESIGNATED LOCATION" MEANS THE LOCATION AT WHICH AN
18 AUTOMOBILE RECYCLER IS LICENSED TO DO BUSINESS IN ACCORDANCE
19 WITH THIS ARTICLE 21.

20 (3) "DIRECTOR" MEANS THE DIRECTOR OF THE AUTO INDUSTRY
21 DIVISION CREATED IN SECTION 44-20-105 OR AN EMPLOYEE OF OR AGENT
22 OF THE DIVISION IF THE EMPLOYEE OR AGENT IS ACTING AS AUTHORIZED
23 BY THE DIRECTOR.

24 (4) "FUND" MEANS THE AUTOMOBILE RECYCLERS LICENSE FUND
25 CREATED IN SECTION 44-21-105 (4).

1 (5) "LICENSED MOTOR VEHICLE DEALER" MEANS A MOTOR VEHICLE
2 DEALER OR USED MOTOR VEHICLE DEALER, EITHER OF WHICH IS LICENSED
3 UNDER PART 1 OF ARTICLE 20 OF THIS TITLE 44.

4 (6) "MOTOR VEHICLE" MEANS A SELF-PROPELLED MOTOR
5 CONVEYANCE INTENDED PRIMARILY FOR USE ON THE ROADWAY.

6 (7) (a) "RECYCLE" OR "RECYCLING" MEANS:

7 (I) CRUSHING, SHREDDING, OR OTHERWISE REDUCING A VEHICLE
8 TO PRODUCE SCRAP METAL THAT MAY BE SOLD TO PRODUCE NEW
9 PRODUCTS; OR

10 (II) DISMANTLING A VEHICLE TO REMOVE AND SELL REUSABLE
11 PARTS.

12 (b) "RECYCLE" OR "RECYCLING" DOES NOT MEAN SELLING A
13 VEHICLE TO AN AUTOMOBILE RECYCLER.

14 (8) "VEHICLE" MEANS:

15 (a) A MOTOR VEHICLE; OR

16 (b) A CONVEYANCE INTENDED PRIMARILY FOR OPERATION ON THE
17 ROADWAY THAT IS NOT SELF-PROPELLED AND THAT IS DESIGNED TO BE
18 ATTACHED TO, BECOME A PART OF, OR BE DRAWN BY A MOTOR VEHICLE.

19 **44-21-103. License required - expiration and renewal - repeal.**

20 (1) (a) A PERSON SHALL NOT BUY AND RECYCLE FIVE OR MORE VEHICLES
21 WITHIN ONE CALENDAR YEAR UNLESS THE PERSON HOLDS AN AUTOMOBILE
22 RECYCLER LICENSE.

23 (b) (I) THIS SUBSECTION (1) IS EFFECTIVE JULY 1, 2021.

24 (II) THIS SUBSECTION (1)(b) IS REPEALED, EFFECTIVE JULY 1, 2023.

25 (2) A LICENSE ISSUED UNDER THIS SECTION EXPIRES TWO YEARS
26 AFTER ISSUANCE UNLESS RENEWED BEFORE EXPIRATION. TO RENEW A
27 LICENSE, THE RECYCLER MUST PAY A RENEWAL FEE IMPOSED IN SECTION

1 44-21-105.

2 (3) THE DIRECTOR SHALL ISSUE A LICENSE TO AN APPLICANT OR
3 RENEW AN APPLICANT'S LICENSE IF:

4 (a) THE APPLICANT SUBMITS AN APPLICATION IN A FORM AND
5 MANNER DETERMINED BY THE DIRECTOR;

6 (b) THE APPLICANT IS QUALIFIED IN ACCORDANCE WITH SECTION
7 44-21-104;

8 (c) THE APPLICANT HAS PAID THE FEES REQUIRED BY SECTION
9 44-21-105;

10 (d) THE APPLICANT'S LICENSE IS NOT SUSPENDED OR HAS NOT BEEN
11 REVOKED WITHIN THE LAST TWELVE MONTHS;

12 (e) THE APPLICANT HAS NOT COMMITTED A VIOLATION OF THIS
13 ARTICLE 21 THAT MERITS THE DENIAL OF THE LICENSE IN ACCORDANCE
14 WITH SECTION 44-21-109; AND

15 (f) THE APPLICANT HAS DESIGNATED THE LOCATION, INCLUDING
16 ANY ADDRESS, WHERE THE AUTOMOBILE RECYCLER WILL OPERATE THE
17 BUSINESS.

18 (4) (a) THE DIRECTOR SHALL RECORD ON EACH LICENSE THE
19 LOCATION, INCLUDING ANY ADDRESS, DESIGNATED BY THE AUTOMOBILE
20 RECYCLER WHERE THE AUTOMOBILE RECYCLER OPERATES THE BUSINESS.

21 (b) IF TWO OR MORE AUTOMOBILE RECYCLERS OPERATING AS
22 SEPARATE BUSINESS ENTITIES ARE LOCATED IN THE SAME BUILDING, EACH
23 AUTOMOBILE RECYCLER MUST HOLD A SEPARATE LICENSE.

24 (5) IF AN AUTOMOBILE RECYCLER IS LICENSED, THE RECYCLER'S
25 EMPLOYEES NEED NOT BE INDIVIDUALLY LICENSED.

26 **44-21-104. Qualifications for license - rules.** (1) TO QUALIFY
27 FOR A LICENSE AS AN AUTOMOBILE RECYCLER, A PERSON MUST:

1 (a) PROVIDE THE APPLICANT'S NATIONAL MOTOR VEHICLE TITLE
2 INFORMATION SYSTEM IDENTIFICATION NUMBER;

3 (b) HAVE A DESIGNATED BUSINESS LOCATION THAT THE
4 AUTOMOBILE RECYCLER ACTUALLY OCCUPIES EITHER CONTINUOUSLY OR
5 AT REGULAR PERIODS WHERE BOOKS AND RECORDS OF THE BUSINESS ARE
6 KEPT AND A LARGE SHARE OF THE RECYCLER'S BUSINESS IS TRANSACTED;

7 (c) BE OF GOOD MORAL CHARACTER AS DETERMINED IN
8 ACCORDANCE WITH SUBSECTION (2) OF THIS SECTION; AND

9 (d) PROVIDE THE FOLLOWING IF THE APPLICANT IS REQUIRED BY
10 OTHER PROVISIONS OF LAW TO HAVE THE FOLLOWING PERMITS OR PLANS:

11 (I) A DESCRIPTION OF OR COPY OF ANY APPLICABLE PERMITS THAT
12 ARE REQUIRED BY THE DEPARTMENT OF PUBLIC HEALTH AND
13 ENVIRONMENT;

14 (II) A STATEMENT INDICATING THAT THE APPLICANT HAS
15 COMPLIED WITH PART 14 OF ARTICLE 20 OF TITLE 30 AND WITH PARTS 1 TO
16 3 OF ARTICLE 15 OF TITLE 25.

17 (2) IN MAKING THE DETERMINATION OF WHETHER AN APPLICANT
18 IS OF GOOD MORAL CHARACTER, THE DIRECTOR SHALL CONSIDER:

19 (a) WHETHER THE APPLICANT, IN PREVIOUSLY OPERATING IN
20 COLORADO OR IN ANOTHER STATE UNDER A LICENSE OR REGISTRATION,
21 HAS HAD THE LICENSE OR REGISTRATION REVOKED OR SUSPENDED AND IF
22 SO, THE REASON FOR THE REVOCATION OR SUSPENSION;

23 (b) ANY OTHER FACTS ABOUT THE PERSONAL HISTORY OF THE
24 APPLICANT THAT ARE RELEVANT TO OPERATING AN AUTOMOBILE
25 RECYCLER BUSINESS AND THAT ARE IDENTIFIED IN RULES PROMULGATED
26 BY THE DIRECTOR.

1 **44-21-105. Fees - fund - creation.** (1) (a) TO SUBMIT AN
2 APPLICATION FOR A LICENSE, AN APPLICANT MUST PAY A NONREFUNDABLE
3 APPLICATION FEE SET BY THE DIRECTOR UNDER THIS SECTION.

4 (b) TO BE ISSUED A LICENSE, AN APPLICANT MUST PAY A
5 NONREFUNDABLE LICENSE FEE SET BY THE DIRECTOR UNDER THIS SECTION.

6 (c) TO RENEW A LICENSE, AN AUTOMOBILE RECYCLER MUST PAY
7 A NONREFUNDABLE RENEWAL FEE SET BY THE DIRECTOR UNDER THIS
8 SECTION.

9 (2) THE DIRECTOR SHALL SET APPLICATION FEES, LICENSE FEES,
10 AND RENEWAL FEES BASED ON THE DIRECT AND INDIRECT COST OF
11 ADMINISTERING THIS ARTICLE 21.

12 (3) THE DIRECTOR SHALL TRANSFER THE FEES COLLECTED UNDER
13 THIS SECTION TO THE STATE TREASURER FOR DEPOSIT IN THE AUTOMOBILE
14 RECYCLERS LICENSE FUND CREATED IN SUBSECTION (4) OF THIS SECTION.

15 (4) THE AUTOMOBILE RECYCLERS LICENSE FUND IS HEREBY
16 CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF FEES CREDITED
17 TO THE FUND IN ACCORDANCE WITH SUBSECTION (3) OF THIS SECTION AND
18 ANY OTHER MONEY THAT THE GENERAL ASSEMBLY MAY APPROPRIATE OR
19 TRANSFER TO THE FUND. SUBJECT TO ANNUAL APPROPRIATION BY THE
20 GENERAL ASSEMBLY, THE DIRECTOR MAY EXPEND MONEY FROM THE FUND
21 TO IMPLEMENT AND ENFORCE THIS ARTICLE 21. THE STATE TREASURER
22 SHALL CREDIT ALL INTEREST AND INCOME DERIVED FROM THE DEPOSIT
23 AND INVESTMENT OF MONEY IN THE FUND TO THE FUND.

24 **44-21-106. Record-keeping requirements.** (1) AN AUTOMOBILE
25 RECYCLER SHALL CREATE AND MAINTAIN IN THE RECYCLER'S DESIGNATED
26 LOCATION AN EASILY ACCESSIBLE AND PERMANENT DAILY RECORD OF
27 VEHICLES, EQUIPMENT, ATTACHMENTS, ACCESSORIES, AND

1 APPURTENANCES THAT ARE TRANSFERRED TO OR FROM THE RECYCLER.

2 EACH RECORD MUST CONTAIN:

3 (a) A DESCRIPTION OF EACH VEHICLE, PIECE OF EQUIPMENT,
4 ATTACHMENT, ACCESSORY, AND APPURTENANCE SO A PEACE OFFICER MAY
5 IDENTIFY IT;

6 (b) THE NAME AND ADDRESS, LEGIBLY WRITTEN, OF THE OWNER,
7 VENDOR, OR VENDEE;

8 (c) THE TIME AND DATE OF THE TRANSACTIONS;

9 (d) THE PURPOSE FOR WHICH THE VEHICLE WAS RECEIVED;

10 (e) THE DISPOSITION OF THE VEHICLE; AND

11 (f) IF THE TRANSACTION INVOLVES A MOTOR VEHICLE:

12 (I) THE NAME AND ADDRESS OF THE DRIVER OF THE MOTOR
13 VEHICLE RECEIVED IN THE COURSE OF BUSINESS; AND

14 (II) THE MODEL YEAR, MAKE, STYLE, ENGINE OR VEHICLE
15 IDENTIFICATION NUMBER, AND STATE REGISTRATION NUMBER.

16 (2) THE AUTOMOBILE RECYCLER SHALL MAKE EACH RECORD,
17 VEHICLE, AND VEHICLE PART AVAILABLE:

18 (a) AT THE DESIGNATED BUSINESS LOCATION DURING REGULAR
19 BUSINESS HOURS FOR INSPECTION BY THE DIRECTOR OR A PEACE OFFICER;

20 AND

21 (b) FOR USE AS EVIDENCE.

22 (3) A RECYCLER SHALL REQUIRE A PERSON WHO TRANSFERS TO AN
23 AUTOMOBILE RECYCLER A VEHICLE, VEHICLE EQUIPMENT, ATTACHMENT,
24 ACCESSORY, OR APPURTENANCE TO DISCLOSE, AND THE RECYCLER SHALL
25 RECORD, THE FULL AND TRUE NAME AND ADDRESS OF THE PERSON MAKING
26 THE TRANSFER AND, IF DIFFERENT, THE NAME AND ADDRESS OF THE
27 OWNER. UPON REQUEST OF THE RECYCLER OR THE RECYCLER'S AGENT,

1 THE PERSON SHALL PRODUCE THE MOTOR VEHICLE'S REGISTRATION CARD
2 FOR THE RECYCLER OR THE RECYCLER'S AGENT TO EXAMINE.

3 **44-21-107. Reporting to the national motor vehicle title**
4 **information system - rules.** AN AUTOMOBILE RECYCLER SHALL REPORT
5 EACH MOTOR VEHICLE THE RECYCLER RECEIVES TO THE NATIONAL MOTOR
6 VEHICLE TITLE INFORMATION SYSTEM IN COMPLIANCE WITH FEDERAL LAW.
7 THE DIRECTOR SHALL INCORPORATE BY REFERENCE ANY FEDERAL
8 REGULATION THAT APPLIES TO AUTOMOBILE RECYCLERS AND THAT
9 COVERS THE NATIONAL MOTOR VEHICLE TITLE INFORMATION SYSTEM.

10 **44-21-108. Unlawful acts.** (1) IT IS UNLAWFUL FOR A PERSON TO:

11 (a) FAIL TO OBTAIN A LICENSE IF REQUIRED IN SECTION 44-21-103
12 (1); OR

13 (b) RECYCLE A VEHICLE OR OFFER TO RECYCLE A VEHICLE
14 WITHOUT AN ACTIVE LICENSE ISSUED UNDER THIS ARTICLE 21 IF THE
15 PERSON IS REQUIRED UNDER SECTION 44-21-103 (1) TO HOLD A LICENSE.

16 (2) IT IS UNLAWFUL FOR AN AUTOMOBILE RECYCLER TO:

17 (a) INTENTIONALLY MAKE A MATERIAL MISSTATEMENT OR
18 OMISSION ON AN INITIAL OR RENEWAL LICENSE APPLICATION;

19 (b) DEFRAUD ANY BUYER, SELLER, INSURER, OR FINANCIAL
20 INSTITUTION;

21 (c) FAIL TO COMPLY WITH PART 22 OF ARTICLE 4 OF TITLE 42; OR

22 (d) FAIL TO COMPLY WITH ANY STATE OR FEDERAL STATUTE OR
23 RULE THAT APPLIES TO THE DISPOSAL OF, DISCHARGE OF, INJECTION OF, OR
24 RECYCLING OF ANY FLUIDS OR MATERIALS IN THE PROCESS OF RECYCLING
25 A VEHICLE, INCLUDING THE FOLLOWING STATUTES OR ANY RULES
26 PROMULGATED UNDER THE FOLLOWING STATUTES:

27 (I) PART 2 OF ARTICLE 20 OF TITLE 8;

- 1 (II) ARTICLE 8 OF TITLE 25;
- 2 (III) PARTS 1 TO 3 OF ARTICLE 15 OF TITLE 25;
- 3 (IV) PARTS 10 AND 14 OF ARTICLE 20 OF TITLE 30; AND
- 4 (V) ARTICLE 60 OF TITLE 34.

5 **44-21-109. Discipline.** (1) IF AN AUTOMOBILE RECYCLER
6 VIOLATES THIS ARTICLE 21 OR ENGAGES IN AN UNLAWFUL ACT AS
7 SPECIFIED IN SECTION 44-21-108, THE DIRECTOR MAY:

8 (a) FOR REASONABLE CAUSE SHOWN OR UPON SATISFACTORY
9 PROOF OF THE UNFITNESS OF THE APPLICANT UNDER THIS ARTICLE 21,
10 DENY ISSUANCE OF OR RENEWAL OF A LICENSE ISSUED UNDER THIS
11 ARTICLE 21;

12 (b) ISSUE CEASE-AND-DESIST ORDERS TO A PERSON WHO VIOLATES
13 THIS ARTICLE 21;

14 (c) SEEK THE IMPOSITION OF AN ADMINISTRATIVE FINE, NOT TO
15 EXCEED ONE THOUSAND DOLLARS, FOR EACH VIOLATION OF SECTION
16 44-21-108 (2) BY INSTITUTING A PROCEEDING WITH THE DEPARTMENT; OR

17 (d) SEEK THE SUSPENSION OF OR REVOCATION OF THE LICENSE OF
18 AN AUTOMOBILE RECYCLER, IF THE VIOLATION IS SIGNIFICANT, BY
19 INSTITUTING A PROCEEDING WITH THE DEPARTMENT.

20 (2) THE DEPARTMENT SHALL TRANSFER ANY FINE COLLECTED
21 UNDER THIS SECTION TO THE STATE TREASURER, WHO SHALL CREDIT THE
22 MONEY TO THE GENERAL FUND.

23 (3) EXCEPT AS OTHERWISE PROVIDED IN THIS ARTICLE 21, THE
24 DEPARTMENT SHALL CONDUCT DISCIPLINARY PROCEEDINGS IN
25 ACCORDANCE WITH ARTICLE 4 OF TITLE 24.

26 **44-21-110. Enforcement.** (1) THE DIRECTOR MAY INVESTIGATE,
27 UPON THE DIRECTOR'S INITIATIVE OR UPON A PERSON MAKING A WRITTEN

1 AND SIGNED COMPLAINT, ANY SUSPECTED OR ALLEGED VIOLATION OF THIS
2 ARTICLE 21 OR OF ANY RULE PROMULGATED UNDER THIS ARTICLE 21 BY
3 AN AUTOMOBILE RECYCLER.

4 (2) THE DIRECTOR'S INVESTIGATORS AND THE INVESTIGATORS'
5 SUPERVISORS, WHILE ACTUALLY PERFORMING THEIR DUTIES, HAVE THE
6 AUTHORITY TO:

7 (a) ISSUE SUBPOENAS WITHIN THE SCOPE OF THEIR DUTIES
8 ENFORCING THIS ARTICLE 21;

9 (b) ISSUE SUMMONSES FOR VIOLATIONS OF THIS ARTICLE 21;

10 (c) PROCURE CRIMINAL RECORDS DURING AN INVESTIGATION; OR

11 (d) ENTER AND INSPECT THE AUTOMOBILE RECYCLER'S
12 DESIGNATED LOCATION DURING NORMAL BUSINESS HOURS.

13 (3) IF A PERSON FAILS TO COMPLY WITH A CEASE-AND-DESIST
14 ORDER ISSUED UNDER SECTION 44-21-109, THE DIRECTOR MAY BRING A
15 SUIT FOR INJUNCTION TO PREVENT ANY FURTHER AND CONTINUED
16 VIOLATION OF THE ORDER.

17 (4) (a) IF, DURING AN INSPECTION, THE DIRECTOR DETERMINES
18 THAT ANY OF THE FOLLOWING ITEMS ARE AT THE DESIGNATED LOCATION,
19 THE DIRECTOR SHALL NOTIFY THE DEPARTMENT OF PUBLIC HEALTH AND
20 ENVIRONMENT AND INCLUDE INFORMATION ABOUT:

21 (I) MORE THAN ONE HUNDRED WASTE TIRES;

22 (II) A METAL SHREDDER; OR

23 (III) OPEN OR UNLABELED CONTAINERS OF MOTOR VEHICLE
24 FLUIDS.

25 (b) IF, DURING AN INSPECTION, THE DIRECTOR DETERMINES THAT
26 THE DESIGNATED LOCATION HAS AN UNDERGROUND INJECTION WELL, THE
27 DIRECTOR SHALL NOTIFY THE OIL AND GAS CONSERVATION COMMISSION,

1 CREATED IN SECTION 34-60-104, AND INCLUDE INFORMATION ABOUT THE
2 UNDERGROUND INJECTION WELL.

3 **44-21-111. Violations - penalties.** (1) A PERSON WHO VIOLATES
4 SECTION 44-21-108 (1) COMMITS A CLASS 1 MISDEMEANOR AND SHALL BE
5 PUNISHED AS PROVIDED IN SECTION 18-1.3-501.

6 (2) A LICENSED AUTOMOBILE RECYCLER WHO VIOLATES THIS
7 ARTICLE 21 IS SUBJECT TO THE DISCIPLINE PROVISIONS OF SECTION
8 44-21-109.

9 (3) THE DEPARTMENT SHALL TRANSFER ANY CIVIL PENALTY
10 COLLECTED UNDER THIS SECTION TO THE STATE TREASURER, WHO SHALL
11 CREDIT THE CIVIL PENALTY TO THE GENERAL FUND.

12 **44-21-112. Rules.** THE DIRECTOR MAY ADOPT AND AMEND RULES
13 THAT ARE REASONABLY NECESSARY TO IMPLEMENT THIS ARTICLE 21.

14 **44-21-113. Repeal of article.** THIS ARTICLE 21 IS REPEALED,
15 EFFECTIVE SEPTEMBER 1, 2030. BEFORE THE REPEAL, THE REGULATION OF
16 AUTOMOBILE RECYCLERS BY THE DIRECTOR AND DEPARTMENT UNDER THIS
17 ARTICLE 21 IS SCHEDULED FOR REVIEW IN ACCORDANCE WITH SECTION
18 24-34-104.

19 **SECTION 2.** In Colorado Revised Statutes, 24-35-101, **amend**
20 (1)(c) as follows:

21 **24-35-101. Functions of department of revenue - creation.**

22 (1) There is hereby created the department of revenue, the functions of
23 which are the collection of the following:

24 (c) Taxes levied and the license fees imposed by the provisions of
25 title 42, part 2 of article 5 of title 43, ~~and part 1~~ PARTS 1 AND 4 of article
26 20 of title 44, AND ARTICLE 21 OF TITLE 44 and the administration and
27 enforcement of these provisions;

1 **SECTION 3.** In Colorado Revised Statutes, 24-34-104, **add**
2 (31)(a)(V) as follows:

3 **24-34-104. General assembly review of regulatory agencies**
4 **and functions for repeal, continuation, or reestablishment - legislative**
5 **declaration - repeal.** (31) (a) The following agencies, functions, or both,
6 are scheduled for repeal on September 1, 2030:

7 (V) THE FUNCTIONS OF THE DIRECTOR OF THE AUTO INDUSTRY
8 DIVISION AND THE DEPARTMENT OF REVENUE AS SPECIFIED IN ARTICLE 21
9 OF TITLE 44.

10 **SECTION 4.** In Colorado Revised Statutes, 42-4-2202, **amend**
11 (1); and **repeal** (2) as follows:

12 **42-4-2202. Transfer for recycling.** (1) ~~No~~ A person who is not
13 ~~a licensed motor vehicle dealer~~ LICENSED AUTOMOBILE RECYCLER UNDER
14 ARTICLE 21 OF TITLE 44 shall NOT purchase or otherwise receive a motor
15 vehicle to recycle the vehicle, unless:

16 (a) The seller or transferor is the owner on the certificate of title,
17 an operator, or a licensed motor vehicle dealer; OR

18 (b) The seller or transferor provides a completed bill of sale on a
19 form prescribed by the department of revenue. ~~or~~

20 (c) ~~The receiver or purchaser complies with subsection (2) of this~~
21 ~~section.~~

22 (2) (a) ~~A person other than a licensed motor vehicle dealer who~~
23 ~~purchases or otherwise receives a motor vehicle for the purpose of~~
24 ~~recycling the vehicle shall keep the vehicle for seven business days before~~
25 ~~recycling unless the seller or transferor:~~

26 ~~(1) Is the owner on the certificate of title, an operator, or a licensed~~
27 ~~motor vehicle dealer; or~~

1 ~~(H) If the purchaser or transferee is an operator selling an~~
2 ~~abandoned motor vehicle pursuant to part 18 or 21 of this article or a~~
3 ~~licensed motor vehicle dealer or used motor vehicle dealer, provides a~~
4 ~~completed bill of sale on a form prescribed by the department of revenue.~~

5 ~~(b) During the seven-day waiting period:~~

6 ~~(f) The motor vehicle, the bill of sale, a copy of the system inquiry~~
7 ~~results, and, if applicable, the daily record required pursuant to section~~
8 ~~42-5-105 shall be open at all times during regular business hours to~~
9 ~~inspection by the department of revenue or any peace officer; and~~

10 ~~(H) The receiver or purchaser shall submit the vehicle~~
11 ~~identification number to the system.~~

12 **SECTION 5.** In Colorado Revised Statutes, 42-4-2203, **amend**
13 (1) as follows:

14 **42-4-2203. Vehicle verification system - fees - rules.** (1) The
15 Colorado motor vehicle verification system is hereby created within the
16 Colorado bureau of investigation. The system ~~shall be~~ IS a database
17 system that uses a motor vehicle's vehicle identification number to
18 ascertain whether the motor vehicle has been stolen. The system ~~shall~~
19 MUST be accessible through the internet by motor vehicle dealers, ~~motor~~
20 ~~vehicle~~ AUTOMOBILE recyclers, automobile repair shops, licensed tow
21 operators, the department of revenue and its authorized agents, and the
22 general public.

23 **SECTION 6. Act subject to petition - effective date -**
24 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
25 the expiration of the ninety-day period after final adjournment of the
26 general assembly (August 5, 2020, if adjournment sine die is on May 6,
27 2020); except that, if a referendum petition is filed pursuant to section 1

1 (3) of article V of the state constitution against this act or an item, section,
2 or part of this act within such period, then the act, item, section, or part
3 will not take effect unless approved by the people at the general election
4 to be held in November 2020 and, in such case, will take effect on the
5 date of the official declaration of the vote thereon by the governor.

6 (2) This act applies to offenses or violations committed on or after
7 July 1, 2021.