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.)

Current law states that, with certain exceptions, a motor vehicle manufacturer may not own, operate, or control any motor vehicle dealer or used motor vehicle dealer in Colorado. The bill creates a new exception that allows the ownership, operation, or control of a motor vehicle dealer that sells electric motor vehicles of a manufacturer's
line-make. An "electric motor vehicle" is a motor vehicle that can operate entirely on electrical power.

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

SECTION 1. In Colorado Revised Statutes, 44-20-126, amend (2)(e), (2)(f), and (3) introductory portion; and add (2)(g) and (3)(a.3) as follows:

44-20-126. Independent control of dealer - definitions - exceptions. (2) Notwithstanding subsection (1) of this section, the following activities are not prohibited:

(e) Ownership, operation, or control of a used motor vehicle dealer if the manufacturer owned, operated, or controlled the used motor vehicle dealer on January 1, 2009, and has continuously operated or controlled the used motor vehicle facilities after January 1, 2009; and

(f) Operation of a motor vehicle dealer if the manufacturer was operating the dealer on January 1, 2009, so long as the MOTOR VEHICLE dealer is in continuous operation after January 1, 2009; AND

(g)(I) OWNERSHIP, OPERATION, OR CONTROL OF A MOTOR VEHICLE
DEALER THAT SELLS ELECTRIC MOTOR VEHICLES OF A LINE-MAKE
MANUFACTURED BY THE MANUFACTURER.

(II) NOTHING IN THIS SUBSECTION (2)(g) AFFECTS FRANCHISE
AGREEMENTS OR RIGHTS TO RELEVANT MARKET AREAS AS PROVIDED IN AN
EXISTING FRANCHISE AGREEMENT OR IN SECTION 44-20-125.

(3) As used in this section, UNLESS THE CONTEXT OTHERWISE
REQUIRES:

(a.3) "ELECTRIC MOTOR VEHICLE" MEANS A MOTOR VEHICLE THAT
CAN OPERATE ENTIRELY ON ELECTRICAL POWER.

SECTION 2. Act subject to petition - effective date. 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 5, 2020, if adjournment sine die is on May 6, 2020); 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 2020 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.