

CHAPTER 7

MOTOR VEHICLES AND TRAFFIC REGULATION

SENATE BILL 20-011

BY SENATOR(S) Hisey and Winter, Donovan, Foote, Moreno, Pettersen, Priola, Scott, Coram, Crowder, Lundeen, Marble, Sonnenberg, Woodward;
also REPRESENTATIVE(S) Catlin and Valdez D., Duran, Exum, Froelich, Gray, Hooton, Valdez A., Buckner, McLachlan, Sullivan, Will, Becker.

AN ACT**CONCERNING PERMANENT AUTHORIZATION FOR THIRD-PARTY PROVIDERS TO PERFORM VEHICLE IDENTIFICATION NUMBER VERIFICATION INSPECTIONS FOR COMMERCIAL VEHICLES.**

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

SECTION 1. In Colorado Revised Statutes, **recreate and reenact, with amendments, 42-1-232** as follows:

42-1-232. Third-party VIN inspection program - rules - definitions. (1) FOR THE PURPOSES OF THIS SECTION:

- (a) "CHIEF" MEANS THE CHIEF OF THE COLORADO STATE PATROL.
- (b) "CONVICTED" MEANS A CONVICTION OF, OR PLEADING GUILTY OR NOLO CONTENDERE TO, A VIOLATION OF THE LAW.
- (c) "PERMIT" MEANS AUTHORITY FOR AN ORGANIZATION TO EMPLOY PEOPLE TO VERIFY INFORMATION, INCLUDING A VIN, THAT MAY BE REQUIRED TO REGISTER A COMMERCIAL VEHICLE UNDER ARTICLE 3 OF THIS TITLE 42 OR TO BE ISSUED A CERTIFICATE OF TITLE UNDER ARTICLE 6 OF THIS TITLE 42.
- (d) "VIN" MEANS VEHICLE IDENTIFICATION NUMBER.

(2) THE CHIEF SHALL CREATE A PROGRAM THAT AUTHORIZES A TRANSPORTATION ASSOCIATION OR ORGANIZATION TO VERIFY COMMERCIAL VEHICLE INFORMATION, INCLUDING A VIN, AS A VEHICLE-RELATED ENTITY IF THE TRANSPORTATION ASSOCIATION OR ORGANIZATION DEMONSTRATES TO THE SATISFACTION OF THE CHIEF

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

THAT IT AND ANY INDIVIDUALS IT MAY EMPLOY TO VERIFY INFORMATION MEET THE REQUIREMENTS OF THIS SECTION AND ANY RULES PROMULGATED TO IMPLEMENT THIS SECTION. UPON DETERMINING THAT A TRANSPORTATION ASSOCIATION OR ORGANIZATION MEETS THE REQUIREMENTS OF THIS SECTION AND ANY RULES PROMULGATED TO IMPLEMENT THIS SECTION, THE CHIEF MAY ISSUE A PERMIT TO THE APPLICANT.

(3) TO BE ISSUED A PERMIT TO VERIFY INFORMATION, INCLUDING A VIN, AS A VEHICLE-RELATED ENTITY, AN APPLICANT MUST:

(a) EMPLOY VERIFIERS WHO DEMONSTRATE KNOWLEDGE OF THE PROCESS AND STANDARDS AND WHO HAVE NOT BEEN CONVICTED OF VIOLATING ARTICLE 4 OF TITLE 18 WITHIN THE LAST TEN YEARS;

(b) SUBMIT THE NAME, BACKGROUND, EXPERIENCE, LOCATION OF OPERATION, CONTACT INFORMATION, AND ANY OTHER INFORMATION REQUIRED BY THE CHIEF OF EACH EMPLOYED VERIFIER;

(c) FURNISH EVIDENCE OF A SAVINGS ACCOUNT OR DEPOSIT IN A CERTIFICATE OF DEPOSIT MEETING THE REQUIREMENTS OF SECTION 11-35-101 OR A SURETY BOND THAT:

(I) HOLDS HARMLESS ANY PERSON WHO SUFFERS LOSS OR DAMAGE ARISING FROM THE ISSUANCE OF A CERTIFICATE OF TITLE THAT INCLUDED A VERIFICATION DONE BY THE PERMIT HOLDER; AND

(II) IS IN THE AMOUNT OF AT LEAST TEN THOUSAND DOLLARS.

(4) A VEHICLE-RELATED ENTITY SHALL NOT EMPLOY A VERIFIER UNTIL THE CHIEF HAS APPROVED THE VERIFIER. THE PERMIT HOLDER SHALL SUBMIT TO THE CHIEF THE NAME, BACKGROUND, EXPERIENCE, LOCATION OF OPERATION, CONTACT INFORMATION, AND ANY OTHER INFORMATION REQUIRED BY THE CHIEF OF EACH VERIFIER. WITHIN SEVEN DAYS AFTER CEASING TO EMPLOY A VERIFIER, THE VEHICLE-RELATED ENTITY SHALL NOTIFY THE CHIEF THAT THE INDIVIDUAL NO LONGER VERIFIES INFORMATION FOR THE VEHICLE-RELATED ENTITY.

(5) A VEHICLE-RELATED ENTITY SHALL NOT CHARGE MORE THAN TWENTY-FIVE DOLLARS PER TRANSACTION TO VERIFY INFORMATION.

(6) THE CHIEF MAY DENY OR CANCEL A PERMIT FOR:

(a) FAILING TO COMPLY WITH THIS SECTION;

(b) FAILING TO MAINTAIN IN FULL FORCE THE SAVINGS ACCOUNT, DEPOSIT IN A CERTIFICATE OF DEPOSIT, OR SURETY BOND REQUIRED BY SUBSECTION (3) OF THIS SECTION;

(c) MISREPRESENTATIONS IN APPLYING FOR A PERMIT;

(d) BEING CONVICTED UNDER, OR EMPLOYING A VERIFIER WHO IS CONVICTED UNDER, ARTICLE 4 OF TITLE 18;

(e) INCOMPETENCE OR FAILING TO ADEQUATELY VERIFY INFORMATION, INCLUDING A VIN, AS A VEHICLE-RELATED ENTITY.

(7) THE CHIEF MAY PROMULGATE RULES REASONABLY NECESSARY TO IMPLEMENT THIS SECTION, INCLUDING ESTABLISHING APPLICATION PROCEDURES AND ANY REQUIRED FORMS AND ESTABLISHING PROCEDURES, IN COMPLIANCE WITH ARTICLE 4 OF TITLE 24, FOR CANCELING A PERMIT. THE CHIEF MAY SUMMARILY SUSPEND A PERMIT FOR UP TO SIXTY DAYS PENDING A HEARING TO CANCEL A PERMIT IF THE CHIEF DETERMINES THAT IRREPARABLE HARM MAY OCCUR IF THE PERMIT HOLDER CONTINUES TO VERIFY INFORMATION, INCLUDING A VIN, AS A VEHICLE-RELATED ENTITY.

(8) FOR THE PURPOSES OF VERIFYING INFORMATION IN ACCORDANCE WITH ARTICLES 1 TO 5 OF THIS TITLE 42, A PERMIT HOLDER IS A VEHICLE-RELATED ENTITY.

SECTION 2. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety.

Approved: March 5, 2020