

First Regular Session  
Seventy-third General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 21-0413.01 Jason Gelender x4330

SENATE BILL 21-069

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SENATE SPONSORSHIP

Priola,

HOUSE SPONSORSHIP

Valdez A.,

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Senate Committees  
Transportation & Energy

House Committees

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A BILL FOR AN ACT

101 CONCERNING LICENSE PLATES, AND, IN CONNECTION THEREWITH,  
102 SPECIFYING THAT THE LICENSE PLATES OF A MOTOR VEHICLE  
103 THAT IS CLASSIFIED AS CLASS C PERSONAL PROPERTY EXPIRE  
104 UPON THE SALE OR TRANSFER OF THE MOTOR VEHICLE AND  
105 AUTHORIZING THE ISSUANCE OF LICENSE PLATES IN PREVIOUSLY  
106 RETIRED STYLES.

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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 specifies that:

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.

- The license plates of a motor vehicle that is Class C personal property for purposes of the laws governing the levying of specific ownership tax and registration of vehicles expire upon the transfer of the owner's title or interest in the motor vehicle;
- If either the expired license plates are personalized license plates or the owner wishes to continue to use the same combination of letters or numbers on the owner's expired license plates that were not originally issued as personalized license plates, the owner retains the priority right to use the combination of letters or numbers displayed on the expired license plates to the extent provided for in current law and may, after surrendering the expired license plates to the department of revenue (department), apply for personalized license plates that use the combination in the manner specified in current law when registering another motor vehicle; and
- The department shall approve any application for personalized license plates received from an individual who wishes to retain the same combination of letters or numbers displayed on the individual's expired license plates and who has surrendered the expired plates to the department unless the department determines that the combination is misleading or duplicates another registration number or that, due to evolving social mores, the combination, despite having previously been issued, carries connotations offensive to good taste or decency;

Class C personal property includes passenger cars, noncommercial light trucks, and motorcycles. The bill does not apply to the transfer or assignment of an owner's interest in Class C personal property that is a horseless carriage.

The bill also authorizes the department to issue license plates in previously retired styles to individuals who request such plates and to charge additional fees for such plates.

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

2           **SECTION 1. Legislative declaration.** (1) The general assembly  
 3 finds and declares that:

4           (a) Recent national studies have determined that 4% of vehicles  
 5 on the road in the United States are not properly registered or the

1 registration is expired. In Colorado it is estimated that as many as 4 out  
2 of every 10 cars on the road are not properly registered and licensed.

3 (b) Vehicles out of registration compliance also commonly lack  
4 insurance coverage and emissions testing documentation.

5 (c) Unregistered and improperly licensed vehicles contribute to  
6 significant state and local shortfalls in revenue for critical transportation  
7 and other needs.

8 (d) The financial impact of traffic congestion in the United States  
9 is calculated to be \$166 billion annually, reaching \$225 billion by 2025.  
10 Readable license plates may be needed to implement traffic congestion  
11 mitigation measures in the future.

12 (e) Law enforcement and public safety officials rely on plate  
13 readability and reflectivity to maintain safety on Colorado roads during  
14 critical operations, such as an Amber alert. Seventy percent of serious  
15 crimes involve a vehicle, and license plates are a low-cost and effective  
16 way for law enforcement to identify vehicles. License plates must be  
17 readable from a safe distance and readable from a vehicle in motion.

18 (f) License plates are often the only highly reflective element on  
19 vehicles, providing a critically important safety feature for stalled  
20 vehicles at night.

21 (g) Automated tolling systems on Colorado roads require legible,  
22 readable license plates to ensure accurate record keeping and to capture  
23 revenue from tollway users during the day and at night.

24 (h) The substantial increase in new residents from other states  
25 driving vehicles that are not registered in Colorado has contributed to the  
26 loss of critical revenue for transportation and other purposes.

27 (i) Despite substantial growth in the number of motor vehicles on

1 Colorado's roads, Colorado has not implemented a periodic license plate  
2 replacement program in nearly 30 years.

3 (j) A phased-in license plate reissue program will provide for  
4 increased public safety and effectiveness of license plates while  
5 minimizing costs and maximizing convenience for drivers.

6 (k) On average, license plates lose 50% of their reflectivity within  
7 5 to 10 years of use and the average age of motor vehicles in Colorado is  
8 7 to 10 years.

9 (2) Therefore, the general assembly declares that it is in the best  
10 interest of the people of the state of Colorado to implement a phased-in  
11 license plate reissue program that will extinguish license plates upon the  
12 sale or transfer to a new owner and require motorists to get new license  
13 plates at no additional cost to them. Phasing in new license plates in this  
14 fashion will improve registration and license plate compliance, generate  
15 new and needed revenue for transportation and other purposes, improve  
16 vehicle insurance compliance rates, improve vehicle emission control  
17 compliance rates, enhance public safety and law enforcement, and  
18 improve tollway revenue capture rates.

19 **SECTION 2.** In Colorado Revised Statutes, 24-30-2208, **amend**  
20 (2)(b) as follows:

21 **24-30-2208. Sale of registration numbers.** (2) (b) Upon  
22 receiving the committee's request, the department of revenue shall verify  
23 whether the plates are currently issued. FOR PURPOSES OF THIS  
24 SUBSECTION (2)(b) AND SUBSECTION (2)(c) OF THIS SECTION, A PLATE  
25 THAT EXPIRES DUE TO THE OPERATION OF SECTION 42-3-115 (5)(a) IS  
26 CONSIDERED CURRENTLY ISSUED UNTIL THE RIGHT OF THE OWNER OF THE  
27 MOTOR VEHICLE TO WHICH THE EXPIRED PLATE WAS AFFIXED TO APPLY TO

1 USE THE REGISTRATION NUMBER OF THE EXPIRED PLATE WHEN  
2 REGISTERING ANOTHER MOTOR VEHICLE EXPIRES. If the plate is not  
3 currently issued, the department shall reserve the registration number  
4 until the committee notifies the department to release the registration  
5 number.

6 **SECTION 3.** In Colorado Revised Statutes, 42-3-115, **add (5)** as  
7 follows:

8 **42-3-115. Registration upon transfer.** (5) (a) EXCEPT AS  
9 OTHERWISE PROVIDED IN SUBSECTION (5)(b) OF THIS SECTION, ON AND  
10 AFTER JANUARY 1, 2022, WHENEVER THE OWNER OF A MOTOR VEHICLE  
11 THAT IS CLASS C PERSONAL PROPERTY, AS DEFINED IN SECTION 42-3-106  
12 (2)(c), TRANSFERS OR ASSIGNS THE OWNER'S TITLE OR INTEREST, THE  
13 NUMBER PLATES ISSUED TO THE OWNER FOR THE VEHICLE EXPIRE AND  
14 SHALL NOT BE TRANSFERRED TO ANY OTHER MOTOR VEHICLE. AN OWNER  
15 OF A MOTOR VEHICLE WHOSE NUMBER PLATES THAT EXPIRE DUE TO THE  
16 OPERATION OF THIS SUBSECTION (5)(a) ARE PERSONALIZED LICENSE  
17 PLATES ISSUED PURSUANT TO SECTION 42-3-211 RETAINS THE PRIORITY  
18 RIGHT TO USE THE COMBINATION OF LETTERS OR NUMBERS DISPLAYED ON  
19 THE EXPIRED PERSONALIZED LICENSE PLATES TO THE EXTENT PROVIDED  
20 FOR IN SECTION 42-3-211 AND MAY, AFTER SURRENDERING THE EXPIRED  
21 PERSONALIZED LICENSE PLATES TO THE DEPARTMENT, APPLY FOR  
22 IDENTICAL PERSONALIZED LICENSE PLATES IN THE MANNER SPECIFIED IN  
23 SECTION 42-3-211 WHEN REGISTERING ANOTHER MOTOR VEHICLE. IN  
24 ADDITION, AN OWNER OF A VEHICLE WHOSE NUMBER PLATES THAT EXPIRE  
25 DUE TO THE OPERATION OF THIS SUBSECTION (5)(a) WERE NOT ORIGINALLY  
26 ISSUED AS PERSONALIZED LICENSED PLATES, BUT WHO WISHES TO RETAIN  
27 THE SAME COMBINATION OF LETTERS OR NUMBERS DISPLAYED ON THE

1 EXPIRED LICENSE PLATES RETAINS THE PRIORITY RIGHT TO USE THE  
2 COMBINATION AND MAY, AFTER SURRENDERING THE EXPIRED PLATES TO  
3 THE DEPARTMENT, APPLY FOR PERSONALIZED LICENSE PLATES WITH THE  
4 COMBINATION IN THE MANNER SPECIFIED IN SECTION 42-3-211 WHEN  
5 REGISTERING ANOTHER MOTOR VEHICLE.

6 (b) IN ACCORDANCE WITH SECTION 42-12-301 (6), SUBSECTION  
7 (5)(a) OF THIS SECTION DOES NOT APPLY TO THE TRANSFER OR  
8 ASSIGNMENT OF AN OWNER'S INTEREST IN CLASS C PERSONAL PROPERTY  
9 THAT IS A HORSELESS CARRIAGE.

10 **SECTION 4.** In Colorado Revised Statutes, **add** 42-3-206.5 as  
11 follows:

12 **42-3-206.5. Issuance of plates in retired styles authorized -**  
13 **additional fee.** (1) SUBJECT TO THE REQUIREMENTS OF THIS SECTION, THE  
14 DEPARTMENT MAY ISSUE LICENSE PLATES IN A PREVIOUSLY RETIRED STYLE  
15 FOR PASSENGER CARS OR TRUCKS NOT OVER SIXTEEN THOUSAND POUNDS  
16 EMPTY WEIGHT.

17 (2) THE DEPARTMENT MAY ONLY ISSUE PLATES IN A PREVIOUSLY  
18 RETIRED STYLE IF THE DEPARTMENT DETERMINES THAT DEMAND FOR THE  
19 STYLE, INCLUDING WILLINGNESS TO PAY AN ADDITIONAL FEE THAT FULLY  
20 DEFRAYS THE COSTS OF PRODUCING THE LICENSE PLATES IN THE STYLE, IS  
21 SUFFICIENTLY HIGH TO JUSTIFY PRODUCTION OF THE LICENSE PLATES.

22 (3) AN APPLICANT MAY APPLY FOR PERSONALIZED LICENSE PLATES  
23 IN ANY PREVIOUSLY RETIRED STYLE THAT THE DEPARTMENT OFFERS FOR  
24 PURCHASE. IF THE APPLICANT COMPLIES WITH SECTION 42-3-211, THE  
25 DEPARTMENT MAY ISSUE SUCH PLATES UPON PAYMENT OF THE  
26 ADDITIONAL FEE REQUIRED BY SECTION 42-3-211 (6) FOR PERSONALIZED  
27 LICENSE PLATES. IF THE APPLICANT HAS EXISTING PERSONALIZED LICENSE

1 PLATES FOR A MOTOR VEHICLE, THE APPLICANT MAY TRANSFER THE  
2 COMBINATION OF LETTERS OR NUMBERS TO A NEW SET OF LICENSE PLATES  
3 IN THE PREVIOUSLY RETIRED STYLE FOR THE VEHICLE UPON PAYING THE  
4 FEE IMPOSED BY SECTION 42-3-211 (6)(a) AND UPON TURNING IN SUCH  
5 EXISTING PLATES TO THE DEPARTMENT AS REQUIRED BY THE DEPARTMENT.  
6 A PERSON WHO HAS OBTAINED PERSONALIZED LICENSE PLATES IN A  
7 PREVIOUSLY RETIRED STYLE UNDER THIS SUBSECTION (3) SHALL PAY THE  
8 ANNUAL FEE IMPOSED BY SECTION 42-3-211 (6)(b) TO RENEW SUCH  
9 PLATES. THE FEES IMPOSED BY THIS SUBSECTION (3) ARE IN ADDITION TO  
10 ALL OTHER TAXES AND FEES IMPOSED FOR LICENSE PLATES IN A  
11 PREVIOUSLY RETIRED STYLE.

12 (4) THE AMOUNT OF THE TAXES AND FEES FOR LICENSE PLATES IN  
13 A PREVIOUSLY RETIRED STYLE IS THE SAME AS THE AMOUNT OF THE TAXES  
14 AND FEES SPECIFIED FOR REGULAR MOTOR VEHICLE PLATES PLUS AN  
15 ADDITIONAL ANNUAL FEE SET BY THE DEPARTMENT IN THE LESSER OF THE  
16 AMOUNT NECESSARY TO DEFRAY THE ACTUAL COSTS OF PRODUCING AND  
17 ISSUING THE PLATES OR FIFTY DOLLARS. THE ADDITIONAL FEE SHALL BE  
18 TRANSMITTED TO THE STATE TREASURER, WHO SHALL CREDIT IT TO THE  
19 HIGHWAY USERS TAX FUND FOR ALLOCATION AND EXPENDITURE AS  
20 SPECIFIED IN SECTION 43-4-205 (5.5)(b).

21 (5) ALL APPLICATIONS FOR LICENSE PLATES IN A PREVIOUSLY  
22 RETIRED STYLE MUST BE MADE DIRECTLY TO THE DEPARTMENT.

23 (6) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT MAY PREPARE  
24 ANY SPECIAL FORMS AND PROMULGATE ANY RULES NECESSARY TO  
25 IMPLEMENT THIS SECTION.

26 **SECTION 5.** In Colorado Revised Statutes, 42-3-211, **amend** (5)  
27 as follows:

1           **42-3-211. Issuance of personalized plates authorized.** (5) An  
2 applicant for issuance of personalized license plates or renewal of such  
3 plates shall apply in such form and by such date as the department may  
4 require, indicating thereon the combination of letters or numbers  
5 requested as a registration number. There shall be no duplication of  
6 registration numbers, and the department may refuse to issue any  
7 combination of letters or numbers that carry connotations offensive to  
8 good taste and decency, are misleading, or duplicate any other license  
9 plates provided for in this ~~article~~ ARTICLE 3. THE DEPARTMENT SHALL  
10 APPROVE ANY APPLICATION FOR PERSONALIZED LICENSE PLATES RECEIVED  
11 FROM AN INDIVIDUAL WHO WISHES TO RETAIN THE SAME COMBINATION OF  
12 LETTERS OR NUMBERS DISPLAYED ON THE INDIVIDUAL'S LICENSE PLATES  
13 THAT EXPIRED DUE TO THE OPERATION OF SECTION 42-3-115 (5)(a) AND  
14 WHO HAS SURRENDERED THE EXPIRED PLATES TO THE DEPARTMENT  
15 UNLESS THE DEPARTMENT DETERMINES THAT THE COMBINATION IS  
16 MISLEADING OR DUPLICATES ANOTHER REGISTRATION NUMBER OR THAT,  
17 DUE TO EVOLVING SOCIAL MORES, THE COMBINATION, DESPITE HAVING  
18 PREVIOUSLY BEEN ISSUED, CARRIES CONNOTATIONS OFFENSIVE TO GOOD  
19 TASTE OR DECENCY.

20           **SECTION 6.** In Colorado Revised Statutes, 42-3-301, **amend**  
21 (2)(a) as follows:

22           **42-3-301. License plate cash fund - license plate fees.**

23 (2) (a) The fees imposed pursuant to subsection (1) of this section ~~shall~~  
24 ~~be~~ ARE limited to the amount necessary to recover the costs of the  
25 production and distribution of any license plates, decals, or validating tabs  
26 issued pursuant to this article 3 and the related support functions provided  
27 to the department of revenue by the division AND THE AMOUNT OF ANY



1 GENERAL FUND APPROPRIATION FOR STATE FISCAL YEAR 2021-22 MADE TO  
2 IMPLEMENT SENATE BILL 21-\_\_\_\_, ENACTED IN 2021. WHEN THE BALANCE  
3 OF THE LICENSE PLATE CASH FUND CREATED IN SUBSECTION (1)(b) OF THIS  
4 SECTION BECOMES SUFFICIENT TO COVER ALL OF THE COSTS DESCRIBED IN  
5 SUBSECTION (1)(b) OF THIS SECTION AND TO REPAY THE AMOUNT OF ANY  
6 GENERAL FUND APPROPRIATION FOR STATE FISCAL YEAR 2021-22 MADE TO  
7 IMPLEMENT SENATE BILL 21-\_\_\_\_, ENACTED IN 2021, THE EXECUTIVE  
8 DIRECTOR SHALL INSTRUCT THE STATE TREASURER TO TRANSFER AN  
9 AMOUNT EQUAL TO THE AMOUNT OF THE APPROPRIATION FROM THE  
10 LICENSE PLATE CASH FUND TO THE GENERAL FUND. The correctional  
11 industries advisory committee, established pursuant to section 17-24-104  
12 (2), shall annually review and recommend to the director of the division  
13 the amounts of the fees to be imposed pursuant to subsection (1) of this  
14 section. The director of the division, in cooperation and consultation with  
15 the department of revenue and the office of state planning and budgeting,  
16 shall annually establish the amounts of the fees imposed pursuant to  
17 subsection (1) of this section to recover the division's costs pursuant to  
18 this subsection (2).

19 **SECTION 7. Act subject to petition - effective date.** This act  
20 takes effect at 12:01 a.m. on the day following the expiration of the  
21 ninety-day period after final adjournment of the general assembly; except  
22 that, if a referendum petition is filed pursuant to section 1 (3) of article V  
23 of the state constitution against this act or an item, section, or part of this  
24 act within such period, then the act, item, section, or part will not take  
25 effect unless approved by the people at the general election to be held in  
26 November 2022 and, in such case, will take effect on the date of the  
27 official declaration of the vote thereon by the governor.