

CHAPTER 475

MOTOR VEHICLES AND TRAFFIC REGULATION

SENATE BILL 21-076

BY SENATOR(S) Scott and Bridges, Hansen, Holbert, Kolker, Moreno;
also REPRESENTATIVE(S) Valdez A. and Larson, Bird, Gray, Kipp, Mullica.

AN ACT

CONCERNING THE FUNDING OF A SYSTEM FOR ELECTRONIC TRANSACTIONS MADE BY THIRD-PARTY PROVIDERS RELATED TO THE REGULATION OF VEHICLES, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

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

SECTION 1. In Colorado Revised Statutes, 42-1-234, **amend** (2) and (3)(a); and **add** (4) and (5) as follows:

42-1-234. Electronic vehicle registration and titling - electronic transmission of vehicle lien information - authority - rules - cash fund - electronic transactions fund - gifts, grants, and donations - repeal. (2) (a) The department is authorized to seek and accept gifts, grants, or donations from private or public sources, including from third-party providers, for the purposes of this section; except that the department may not accept a gift, grant, or donation that is subject to conditions that are inconsistent with this section or any other law of the state. The department shall ensure that any funds contributed to the department for the implementation of the system for the electronic transmission of registration, lien, and titling information for motor vehicles, ~~VEHICLES~~, off-highway vehicles, and special mobile machinery are: ~~tracked separately and~~

(I) Used only for the implementation of the system; AND

(II) TRANSFERRED TO THE STATE TREASURER, WHO SHALL CREDIT THE FUNDS TO THE ELECTRONIC TRANSACTIONS FUND.

(b) (I) IN ADDITION TO THE FEES DESCRIBED IN SUBSECTION (1)(c) OF THIS SECTION, A THIRD-PARTY PROVIDER SHALL PAY THE DEPARTMENT A FEE OF UP TO THREE DOLLARS FOR EACH OF THE FOLLOWING TYPES OF TRANSACTIONS COMPLETED

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.

BY THE THIRD-PARTY PROVIDER:

(A) ISSUANCE OF OR TRANSFER OF A CERTIFICATE OF TITLE FOR A MOTOR VEHICLE OR AN OFF-HIGHWAY VEHICLE;

(B) ISSUANCE OF OR RENEWAL OF A REGISTRATION FOR A MOTOR VEHICLE, A VEHICLE, OR SPECIAL MOBILE MACHINERY; AND

(C) A TRANSACTION THAT INCLUDES BOTH THE TRANSACTIONS DESCRIBED IN SUBSECTIONS (2)(b)(I)(A) AND (2)(b)(I)(B) OF THIS SECTION.

(II) THE THIRD-PARTY PROVIDER MAY CHARGE ITS CLIENT THE FEE IMPOSED IN SUBSECTION (2)(b)(I) OF THIS SECTION.

(III) THE DEPARTMENT SHALL SET THE FEE IMPOSED IN SUBSECTION (2)(b)(I) OF THIS SECTION TO:

(A) OFFSET THE DIRECT AND INDIRECT COSTS OF ADMINISTERING THE ELECTRONIC TRANSMISSION OF REGISTRATION, LIEN, AND TITLING INFORMATION IN ACCORDANCE WITH THIS SECTION; AND

(B) COLLECT ONE MILLION SIX HUNDRED THIRTY-ONE THOUSAND SEVEN HUNDRED NINETY-TWO DOLLARS BY JUNE 30, 2023. IF THE AMOUNT IS NOT COLLECTED BY JUNE 30, 2023, THE DEPARTMENT SHALL SET THE FEE TO COLLECT THE REMAINING AMOUNT BY DECEMBER 31, 2023.

(IV) THE DEPARTMENT SHALL REMIT ALL FEES COLLECTED UNDER THIS SUBSECTION (2)(b) TO THE STATE TREASURER, WHO SHALL CREDIT:

(A) ONE MILLION SIX HUNDRED THIRTY-ONE THOUSAND SEVEN HUNDRED NINETY-TWO DOLLARS OF THE FEES TO THE GENERAL FUND; AND

(B) ALL OTHER MONEY COLLECTED FROM THE FEES TO THE ELECTRONIC TRANSACTIONS FUND.

(V) THE DEPARTMENT SHALL SPECIFY TO THE STATE TREASURER THE PERCENTAGE OF THE FEES THAT COVERS THE ADMINISTRATION OF ELECTRONIC TRANSMISSION OF REGISTRATION, LIEN, AND TITLING INFORMATION IN ACCORDANCE WITH THIS SECTION, AND THE STATE TREASURER SHALL CREDIT THAT PERCENTAGE OF THE FEES TO THE ELECTRONIC TRANSACTION FUND IN ACCORDANCE WITH SUBSECTION (2)(b)(IV)(B) OF THIS SECTION.

(VI) SUBSECTIONS (2)(b)(III)(B), (2)(b)(IV)(A), AND (2)(b)(V) OF THIS SECTION AND THIS SUBSECTION (2)(b)(VI) ARE REPEALED, EFFECTIVE JULY 1, 2024.

(3) (a) The department need not promulgate rules, under subsection (1) of this section, that implement electronic transactions until the department ~~receives adequate gifts, grants, or donations~~ HAS ADEQUATE MONEY IN THE ELECTRONIC TRANSACTIONS FUND to implement the promulgated rules. The department ~~may~~ SHALL, upon ~~receiving adequate gifts, grants, or donations~~ HAVING ADEQUATE MONEY IN THE FUND, phase in implementation of this section as reasonable. ~~The~~

~~department shall not use~~ THE GENERAL ASSEMBLY MAY APPROPRIATE money from the general fund OR THE HIGHWAY USERS TAX FUND CREATED IN SECTION 43-4-201 to implement this section.

(4)(a) THE ELECTRONIC TRANSACTIONS FUND, REFERRED TO IN THIS SUBSECTION (4) AS THE "FUND", IS HEREBY CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF MONEY THAT THE GENERAL ASSEMBLY MAY APPROPRIATE OR TRANSFER TO THE FUND AND MONEY CREDITED TO THE FUND UNDER THIS SECTION.

(b) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE FUND TO THE FUND.

(c) SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY, THE DEPARTMENT MAY EXPEND STATE MONEY FROM THE FUND TO IMPLEMENT AND ADMINISTER ELECTRONIC TRANSMISSION OF REGISTRATION, LIEN, AND TITLING INFORMATION IN ACCORDANCE WITH THIS SECTION.

(5)(a) SUBSECTIONS (2)(a) AND (3) OF THIS SECTION AND THIS SUBSECTION (5) WILL BE REPEALED IF THE DEPARTMENT FULLY IMPLEMENTS THIS SECTION. UPON FULLY IMPLEMENTING THIS SECTION, THE EXECUTIVE DIRECTOR OF THE DEPARTMENT SHALL NOTIFY THE REVISOR OF STATUTES IN WRITING OF THE DATE ON WHICH THE CONDITION SPECIFIED IN THIS SUBSECTION (5)(a) HAS OCCURRED BY E-MAILING THE NOTICE TO REVISOROFSTATUTES.GA@STATE.CO.US.

(b) SUBSECTIONS (2)(a) AND (3) OF THIS SECTION AND THIS SUBSECTION (5) ARE REPEALED, EFFECTIVE UPON THE DATE IDENTIFIED IN THE NOTICE THAT THIS SECTION WAS FULLY IMPLEMENTED OR, IF THE NOTICE DOES NOT SPECIFY THAT DATE, UPON THE DATE OF THE NOTICE TO THE REVISOR OF STATUTES.

SECTION 2. Appropriation. (1) For the 2021-22 state fiscal year, \$1,631,792 is appropriated to the department of revenue. This appropriation is from the general fund. To implement this act, the department may use this appropriation as follows:

(a) \$363,488 for use by the executive director's office for personal services related to administration and support, which amount is based on an assumption that the office will require an additional 5.2 FTE;

(b) \$44,625 for use by the executive director's office for operating expenses related to administration and support;

(c) \$705,600 for DRIVES maintenance and support;

(d) \$108,826 for use by the division of motor vehicles for personal services related to vehicle services, which amount is based on an assumption that the department will require an additional 1.7 FTE;

(e) \$15,100 for use by the division of motor vehicles for operating expenses related to vehicle services; and

(f) \$394,153 for license plate ordering.

(2) For the 2021-22 state fiscal year, \$394,153 is appropriated to the department of corrections for use by the division of correctional industries. This appropriation is from reappropriated funds received from the department of revenue under subsection (1)(f) of this section. To implement this act, the division may use this appropriation for operating expenses.

SECTION 3. 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: July 7, 2021