First Regular Session Seventy-fifth General Assembly STATE OF COLORADO

PREAMENDED

This Unofficial Version Includes Committee Amendments Not Yet Adopted on Second Reading

LLS NO. 25-0415.01 Jery Payne x2157

HOUSE BILL25-1117

HOUSE SPONSORSHIP

Joseph and Boesenecker,

SENATE SPONSORSHIP

Gonzales J. and Weissman,

House Committees Transportation, Housing & Local Government **Senate Committees**

A BILL FOR AN ACT

101 CONCERNING THE REGULATION OF VEHICLE IMMOBILIZATION 102 COMPANIES.

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 <u>http://leg.colorado.gov.</u>)

The bill amends the statutes requiring a permit to boot a vehicle to broaden the permit requirement to include any application, without the appropriate consent, of a device intended to prevent the normal operation of a motor vehicle.

Under current law, a permit holder may be denied a permit to boot a vehicle upon application when the permit holder or owner has been convicted of a felony within the last 5 years. The bill allows the public utilities commission (commission) to suspend, revoke, or refuse to renew a permit to immobilize a vehicle for felonies and immobilization-related offenses. An applicant must disclose each person that is a principal owner in the vehicle immobilization company (company) in an application.

The commission is authorized to deny an application for or suspend, revoke, or refuse to renew a permit of a company based on a determination that it is not in the public interest for the company to possess a permit. The determination is subject to appeal. Possession of a permit is rebuttably presumed to be not in the public interest if a company has willfully and repeatedly failed to comply with the relevant law.

The bill adds the following new duties for companies:

- Before immobilizing a vehicle, the company must document the vehicle's condition and the reason for the immobilization. Standards are set for the documentation, including taking photographs.
- Upon demand by an authorized or interested person, the company must provide copies of the photographs, and if the company does not provide the photographs and a vehicle is damaged, it creates a rebuttable presumption that the company damaged the vehicle or did not have authority to immobilize the vehicle;
- When an immobilization device is being removed from a vehicle, a company must provide adequate lighting to inspect the vehicle for damage;
- A company shall display its name, the permit number, and a phone number of the company on each company vehicle used in immobilization. Standards are set for the display.
- The representative of a company must have business identification visibly worn at all times while immobilizing a vehicle or accepting payment;
- If a vehicle has been immobilized by a company, another company must not immobilize the vehicle;
- If a company applies more than one immobilization device to a vehicle, the company may not charge more than once for the removal of all the immobilization devices;
- A company must provide, upon request, evidence of the company's commercial liability insurance coverage;
- A company must immediately accept payment and release the vehicle if offered in cash or by valid major credit card;
- Upon request, a company must disclose accepted forms of payment;
- A company must provide an itemized bill showing each charge and the rate for each fee incurred as a result of an immobilization and any fee that caused the immobilization;

and

• A company may not pay money or provide other valuable consideration for the privilege of immobilizing vehicles.

A company is prohibited from immobilizing a vehicle on private property unless:

- The immobilization is ordered or authorized by a court order, an administrative order, or a peace officer or by operation of law; or
- The company has received permission for each individual immobilization, within the 24 hours immediately preceding the immobilization, from a specified person. The company must retain the permission for 3 years.

A property owner with tenants must give each tenant adequate notice of parking regulations as outlined in the bill. A company may not immobilize a vehicle in a parking space or common parking area without the company or property owner giving 24 hours' written notice at least 24 hours before immobilizing the vehicle, unless the vehicle owner or operator has received 2 or more previous notices for parking inappropriately in the same manner. Standards are set for the notice.

If a vehicle parks 3 or more times in the same inappropriate manner, the company or property owner need not give the notice, but the company must place a notice on the immobilized vehicle that contains the phone number of the company, the normal operating hours of the company, and the phone number to contact the company outside of normal operating hours.

To immobilize a vehicle on private property normally used for parking, the following must be provided upon entering the private property:

- Notice of the parking regulations; and
- Notice that a violation of the regulations subjects the vehicle to immobilization at the vehicle owner's expense.

Unless the immobilization is based on an order given by a peace officer, a company may not immobilize a vehicle on private property because the vehicle's registration has expired.

For a company to immobilize a vehicle, the property owner must have posted signage that meets the size, visibility, and placement standards of the bill and contains the following information:

- The restriction or prohibition on parking;
- The times of the day and days that the restriction is applicable, but, if the restriction applies 24 hours per day, 7 days per week, the sign must say "Authorized Parking Only";
- Notice that violating the regulation subjects the violating vehicle to be immobilized at the vehicle owner's expense; and

• The name and telephone number of the company authorized to perform immobilization on the private property.

A company may not patrol or monitor property to enforce parking restrictions on behalf of a property owner.

If a company has immobilized a vehicle on private property, the company must give a written notice of the person's ability to make a complaint to the commission in accordance with the standards of the bill.

A company must release a motor vehicle either within 120 minutes after being contacted outside the company's normal business hours or within 90 minutes during the company's normal business hours. A company must immediately release a vehicle without charge to a towing carrier when evidence is presented that the towing carrier has authorization to conduct a nonconsensual tow or law-enforcement-directed tow. A company must immediately release an immobilized vehicle if the person retrieving the vehicle pays at least 15% of the fees, not to exceed \$60, and the person signs a form affirming that the authorized or interested person owes the company payment for the appropriate fees.

A company must charge a reduced release charge set by the commission and immediately release the vehicle if the vehicle is released after an employee of or agent of the company starts to immobilize the vehicle but before the agent or employee leaves the private property.

A company must retain evidence of giving the notices and disclosures required in the bill for 3 years and provide the evidence to the commission or an enforcement official upon request.

Generally, the bill does not apply to an immobilization ordered by a peace officer or technician directed by a peace officer, an immobilization in a parking space that serves a business if the parking space is on commercial real estate, or an immobilization ordered by a municipality, county, or city and county.

A violation of the bill is generally a deceptive trade practice and is subject to enforcement by the attorney general's office or a district attorney.

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

2

SECTION 1. Legislative declaration. (1) The general assembly

- 3 finds that:
- 4

(a) Fair and just enforcement of parking regulations is an essential

5 component of maintaining the order and integrity of public spaces and

residential communities, fostering a sense of responsibility and respect
 among all community members;

3 (b) Vehicle immobilization practices, when improperly applied or
4 enforced, can create undue burdens on consumers, particularly those who
5 may face financial or personal challenges;

6 (c) Improper immobilization can undermine public trust in the 7 system and, at times, may result in the disproportionate penalization of 8 individuals for minor or unintentional infractions;

9 (d) Vehicle immobilization practices and related fees 10 disproportionately affect low-income individuals and marginalized 11 communities, exacerbating existing social and economic disparities, and 12 in these instances, individuals often lack access to legal recourse, and the 13 resulting financial strain may hinder their ability to secure basic 14 necessities, such as housing, healthcare, or transportation;

15 (e) Clear and transparent communication regarding parking 16 regulations, including proper signs and timely notices, is crucial to 17 ensuring that consumers are fully informed of their rights and 18 responsibilities and are given reasonable opportunities to rectify minor 19 violations without the threat of excessive penalties or hardship;

(f) The state must ensure that vehicle immobilization practices are
carried out in a manner that upholds the dignity of all individuals, protects
consumers from unnecessary financial strain, and promotes fairness by
providing avenues for dispute resolution and mitigation of penalties
where appropriate;

(g) Vehicle immobilization companies and property owners must
be held accountable to the highest ethical standards, with a commitment
to transparency, honesty, and fairness in the provision of services. This

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includes clear, itemized billing, proper safeguards to prevent abuse, and
 accountability for any damages or mistakes that may arise from the
 immobilization process.

(h) A fair and just system for addressing vehicle immobilization
disputes is integral to maintaining public confidence in the regulatory
framework. Consumers must have access to effective mechanisms for
challenging fees, seeking timely release of immobilized vehicles, and
receiving a fair hearing for their cases.

9 (i) Vehicle immobilization should not be a mechanism for unjustly 10 enriching private companies or imposing financial hardship on vulnerable 11 individuals. Kickbacks, improper financial incentives, or the pursuit of 12 unfair profits at the expense of consumers undermine the integrity of the 13 system and erode public trust.

(j) This legislation is intended to create a fair, transparent, and
equitable framework for vehicle immobilization that balances the need for
effective enforcement with the protection of consumers' rights, ensuring
that no person is unfairly penalized or unduly burdened by the system;
and

(k) By establishing clear guidelines for vehicle immobilization,
providing transparency, and offering opportunities for consumers to
address minor infractions in a reasonable and timely manner, this
legislation promotes the values of fairness and justice, strengthening the
trust between the public and those entrusted with enforcement
responsibilities.

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(2) Therefore, the general assembly declares that:

26 (a) Ensuring the fair and just implementation of vehicle27 immobilization practices is a matter of paramount importance to the

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1 well-being of Colorado's communities, and enacts this legislation to 2 promote equity, transparency, and accountability in the enforcement of 3 parking regulations; and 4 (b) Fairness, accountability, and ethical conduct must guide every 5 aspect of the enforcement process. 6 SECTION 2. In Colorado Revised Statutes, 40-10.1-101, amend 7 (10), (11), (14), and (22); and **add** (8.5) as follows: 8 **40-10.1-101. Definitions.** As used in this article 10.1, unless the 9 context otherwise requires: 10 "IMMOBILIZE", "IMMOBILIZATION", OR "IMMOBILIZING" (8.5)11 MEANS THE APPLICATION WITHOUT THE CONSENT OF AN AUTHORIZED OR 12 INTERESTED PERSON OF A DEVICE INTENDED TO PREVENT THE NORMAL 13 OPERATION OF A MOTOR VEHICLE. 14 (10) (a) "Motor carrier" means: 15 (I) any A person owning, controlling, operating, or managing a 16 motor vehicle that provides transportation in intrastate commerce 17 pursuant to this article ARTICLE 10.1; OR 18 (II) A VEHICLE IMMOBILIZATION COMPANY. 19 (b) except that the term "MOTOR CARRIER" does not include a 20 transportation network company, as defined in section 40-10.1-602 (3), 21 or a transportation network company driver, as defined in section 22 40-10.1-602 (4). 23 (11) "Motor vehicle" OR "VEHICLE" means any automobile, truck, 24 tractor, motor bus, or other self-propelled vehicle or any A trailer 25 DESIGNED TO BE drawn thereby BY A SELF-PROPELLED VEHICLE. 26 (14) "Permit" means the permit issued to a contract carrier under 27 part 2 of this article 10.1, or to a motor carrier under part 3, 4, 5, or 7 of

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this article 10.1, OR TO A VEHICLE IMMOBILIZATION COMPANY UNDER PART
 8 OF THIS ARTICLE 10.1.

3 (22) (a) "Vehicle booting IMMOBILIZATION company" means a
4 private corporation, partnership, or sole proprietor in the business of
5 immobilizing a motor vehicle through use of a boot PERSON THAT
6 IMMOBILIZES A MOTOR VEHICLE OF ANOTHER PERSON.

7 (b) "VEHICLE IMMOBILIZATION COMPANY" DOES NOT INCLUDE A
8 MUNICIPALITY, A COUNTY, A CITY AND COUNTY, OR OTHER POLITICAL
9 SUBDIVISION OF THE STATE.

SECTION 3. In Colorado Revised Statutes, amend part 8 of
article 10.1 of title 40 as follows:

40-10.1-801. Permit requirements - fund. (1) (a) Effective
January 1, 2020, A person shall not operate or offer to operate as a
vehicle booting IMMOBILIZATION company in intrastate commerce without
first having obtained a permit from the commission in accordance with
this article 10.1.

(b) A person may apply for a permit under this part 8 to the
commission in the form and with the information as the commission
requires. Permits are valid for one year after the date of issuance.

20 (2) (a) (I) The commission may deny an application FOR OR 21 SUSPEND, REVOKE, OR REFUSE TO RENEW A PERMIT ISSUED under this part 22 8 of a person who has, within the immediately preceding five years, been 23 convicted of, or pled guilty TO, or PLED nolo contendere to a felony OR 24 IMMOBILIZATION-RELATED OFFENSE. The commission may also deny an 25 application under this part 8 FOR OR SUSPEND, REVOKE, or refuse to renew 26 the A permit of a vehicle booting IMMOBILIZATION company based upon 27 a determination that the vehicle booting IMMOBILIZATION company or any

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of its owners, principals, officers, members, partners, or directors has not
 satisfied a civil penalty arising out of any AN administrative or
 enforcement action brought by the commission.

4 (II) A VEHICLE IMMOBILIZATION COMPANY THAT APPLIES FOR A
5 PERMIT OR THAT APPLIES TO RENEW A PERMIT SHALL DISCLOSE TO THE
6 COMMISSION EACH PERSON THAT IS AN OWNER OF, PRINCIPAL OF, OFFICER
7 OF, MEMBER OF, PARTNER OF, OR DIRECTOR OF THE VEHICLE
8 IMMOBILIZATION COMPANY IN ACCORDANCE WITH RULES ADOPTED BY THE
9 COMMISSION.

10 (b) THE COMMISSION MAY DENY AN APPLICATION FOR OR SUSPEND, 11 REVOKE, OR REFUSE TO RENEW A PERMIT OF A VEHICLE IMMOBILIZATION 12 COMPANY BASED ON A DETERMINATION THAT IT IS NOT IN THE PUBLIC 13 INTEREST FOR THE VEHICLE IMMOBILIZATION COMPANY TO POSSESS A 14 PERMIT. THE DETERMINATION IS SUBJECT TO APPEAL IN ACCORDANCE 15 WITH COMMISSION RULES. A VEHICLE IMMOBILIZATION COMPANY'S 16 POSSESSION OF A PERMIT IS REBUTTABLY PRESUMED TO BE NOT IN THE 17 PUBLIC INTEREST IF THE VEHICLE IMMOBILIZATION COMPANY HAS 18 WILLFULLY AND REPEATEDLY FAILED TO COMPLY WITH THIS ARTICLE 10.1.

19 (3) (a) Except as otherwise provided in subsection (2) of this 20 section and section 40-10.1-112 (4), the commission shall issue a permit 21 to a vehicle booting IMMOBILIZATION company upon completion of the 22 application and the filing of proof of workers' compensation insurance 23 coverage in accordance with the "Workers' Compensation Act of 24 Colorado", articles 40 to 47 of title 8, and with the financial responsibility 25 requirements of this title 40 and may attach to the permit and to the 26 exercise of the rights granted by the permit any restrictions, terms, and 27 conditions, including altering the rates and charges of the applicant, as are

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reasonably deemed necessary for the protection of the property of the
 public.

3 (b) If a vehicle booting IMMOBILIZATION company violates this 4 article 10.1, any other applicable provision of law, or any A COMMISSION 5 rule ADOPTED or COMMISSION order of the commission issued under this 6 article 10.1 and as a result is ordered by a court or by the commission to 7 pay a fine or civil penalty that the vehicle booting IMMOBILIZATION 8 company subsequently fails to pay in full within the time prescribed for 9 payment, and not before the decision imposing the fine or civil penalty 10 becomes a final decision by the commission, then:

(I) The vehicle booting IMMOBILIZATION company's permit is
 revoked; immediately; and

13 (II) The vehicle booting IMMOBILIZATION company, its owners, 14 principals, officers, members, partners, and directors, and any other entity 15 owned or operated by one or more of those owners, principals, officers, 16 members, partners, or directors, may be disqualified from obtaining or 17 renewing any operating authority under this title 40 for a period of five 18 years after the date on which the fine or civil penalty was due. The period 19 of disqualification pursuant to DESCRIBED IN this subsection (3)(b)(II) is 20 in addition to, and not in lieu of, and does not affect any other penalty or 21 period of disqualification, including the period of disqualification 22 specified in section 40-10.1-112(4).

(c) A vehicle booting IMMOBILIZATION company's facilities and
 vehicles are subject to inspection by the commission and by authorized
 personnel of the Colorado state patrol, which agency shall promptly
 report to the commission concerning any violations revealed by an
 inspection.

(4) The commission may promulgate rules as necessary and
 reasonable to implement this part 8, including rules regarding signage and
 drop fees.

4 (5) There is hereby created in the state treasury the vehicle booting 5 cash fund, referred to in this section SUBSECTION (5) as the "fund", 6 consisting of any fee revenue collected by the commission pursuant to 7 this part 8 and transmitted to the state treasurer for credit CREDITED BY 8 THE STATE TREASURER into the fund and any other money that the general 9 assembly may appropriate or transfer to the fund. The money in the fund 10 is continuously appropriated to the commission for its implementation of 11 this part 8. The state treasurer shall credit all interest and income derived 12 from the deposit and investment of money in the fund to the fund.

40-10.1-802. Vehicle immobilization company document
vehicle's condition and reason for immobilization - adequate
illumination. (1) BEFORE A VEHICLE IMMOBILIZATION COMPANY
IMMOBILIZES A VEHICLE, THE COMPANY SHALL DOCUMENT THE VEHICLE'S
CONDITION AND THE REASON FOR THE IMMOBILIZATION BY:

18 (a) TAKING AT LEAST FOUR PHOTOGRAPHS OF THE VEHICLE, WITH
19 AT LEAST ONE PHOTOGRAPH TAKEN FROM THE FRONT, ONE PHOTOGRAPH
20 TAKEN FROM THE REAR, ONE PHOTOGRAPH TAKEN FROM THE DRIVER'S
21 SIDE, AND ONE PHOTOGRAPH TAKEN FROM THE PASSENGER'S SIDE. THESE
22 PHOTOGRAPHS MUST:

23 (I) Show the entire vehicle from the required angle;

24 (II) HAVE THE VEHICLE FILL AT LEAST THREE-FOURTHS OF THE
25 PHOTOGRAPH, MEASURED FROM SIDE TO SIDE; AND

26 (III) BE RENDERED IN A RESOLUTION OF AT LEAST TWO THOUSAND
27 PIXELS BY AT LEAST TWO THOUSAND PIXELS; AND

(b) TAKING A PHOTOGRAPH THAT SHOWS THE REASON FOR THE
 VEHICLE BEING IMMOBILIZED. THE PHOTOGRAPH MUST:

3 (I) Show the position of the vehicle in relation to the
4 REASON, INCLUDING ANY SIGN, THAT THE VEHICLE WAS IMMOBILIZED; AND

5 (II) BE RENDERED IN A RESOLUTION OF AT LEAST TWO THOUSAND
6 PIXELS BY AT LEAST TWO THOUSAND PIXELS.

7 (2) (a) UPON DEMAND BY AN AUTHORIZED OR INTERESTED PERSON,
8 THE VEHICLE IMMOBILIZATION COMPANY SHALL PROVIDE COPIES OF THE
9 PHOTOGRAPHS REQUIRED TO BE TAKEN BY SUBSECTION (1) OF THIS
10 SECTION TO THE AUTHORIZED OR INTERESTED PERSON.

11 (b) (I) A REBUTTABLE PRESUMPTION THAT A VEHICLE
12 IMMOBILIZATION COMPANY DAMAGED A VEHICLE IS CREATED BY
13 EVIDENCE THAT:

14 (A) THE VEHICLE IMMOBILIZATION COMPANY HAS FAILED TO
15 PRODUCE PHOTOGRAPHS OF THE VEHICLE'S CONDITION IN COMPLIANCE
16 WITH SUBSECTION (2)(a) OF THIS SECTION; AND

17

(B) THE VEHICLE HAS SUFFERED DAMAGE.

(II) A VEHICLE IMMOBILIZATION COMPANY'S FAILURE TO PRODUCE
A PHOTOGRAPH OF THE REASON FOR THE IMMOBILIZATION IN COMPLIANCE
WITH SUBSECTION (2)(a) OF THIS SECTION CREATES A REBUTTABLE
PRESUMPTION THAT THE VEHICLE IMMOBILIZATION COMPANY DID NOT
HAVE AUTHORIZATION TO IMMOBILIZE A VEHICLE.

(c) WHEN AN IMMOBILIZATION DEVICE IS BEING REMOVED FROM
A VEHICLE, A VEHICLE IMMOBILIZATION COMPANY SHALL PROVIDE
LIGHTING THAT IS ADEQUATE TO ALLOW A PERSON TO INSPECT THE
VEHICLE FOR DAMAGE PRIOR TO THE IMMOBILIZATION DEVICE BEING
REMOVED.

1 40-10.1-803. Vehicle immobilization company must display 2 **name.** (1) (a) A VEHICLE IMMOBILIZATION COMPANY SHALL DISPLAY THE 3 NAME OF THE COMPANY, THE PERMIT NUMBER, AND A PHONE NUMBER OF 4 THE COMPANY ON EACH COMPANY VEHICLE USED IN IMMOBILIZATION. 5 (b) THE DISPLAY REQUIRED IN SUBSECTION (1)(a) OF THIS SECTION 6 MUST BE DISPLAYED: 7 (I) ON EACH SIDE OF THE COMPANY VEHICLE IN PLAIN VIEW; AND 8 (II) WHEN IMMOBILIZING A VEHICLE, DRIVING TO IMMOBILIZE A 9 VEHICLE, OR DRIVING FROM IMMOBILIZING A VEHICLE, BUT THE DISPLAY 10 NEED NOT BE PERMANENTLY AFFIXED TO THE COMPANY VEHICLE. 11 (c) THE LETTERING ON THE DISPLAY REQUIRED IN SUBSECTION 12 (1)(a) OF THIS SECTION MUST BE: 13 (I) LEGIBLE DURING DAYLIGHT HOURS FROM A MINIMUM DISTANCE 14 OF FIFTY FEET; AND 15 (II) AT LEAST THREE INCHES TALL. 16 THE REPRESENTATIVE OF A VEHICLE IMMOBILIZATION (2)17 COMPANY SHALL HAVE BUSINESS IDENTIFICATION VISIBLY WORN AT ALL 18 TIMES WHILE IMMOBILIZING A VEHICLE OR ACCEPTING PAYMENT. 19 **40-10.1-804.** Immobilization - multiple devices. IF A VEHICLE 20 HAS BEEN IMMOBILIZED BY A VEHICLE IMMOBILIZATION COMPANY, 21 ANOTHER VEHICLE IMMOBILIZATION COMPANY SHALL NOT IMMOBILIZE 22 THE VEHICLE UNTIL THE FIRST IMMOBILIZATION DEVICE HAS BEEN 23 REMOVED. IF A VEHICLE IMMOBILIZATION COMPANY APPLIES MORE THAN 24 ONE IMMOBILIZATION DEVICE TO A VEHICLE, THE COMPANY SHALL NOT 25 CHARGE MORE THAN ONCE FOR THE REMOVAL OF ALL THE 26 IMMOBILIZATION DEVICES.

27 40-10.1-805. Immobilization requirements and limitations -

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notice to vehicle owner or operator required. (1) (a) A VEHICLE
 IMMOBILIZATION COMPANY SHALL NOT IMMOBILIZE A VEHICLE ON PRIVATE
 PROPERTY UNLESS:

4 (I) THE IMMOBILIZATION IS EXPRESSLY ORDERED OR AUTHORIZED
5 BY A COURT ORDER, AN ADMINISTRATIVE ORDER, OR A PEACE OFFICER OR
6 BY OPERATION OF LAW; OR

7 (II) THE VEHICLE IMMOBILIZATION COMPANY HAS RECEIVED
8 DOCUMENTED PERMISSION, WHICH MUST NOT BE AUTOMATED OR
9 PREAPPROVED, FOR EACH INDIVIDUAL IMMOBILIZATION, WITHIN THE
10 TWENTY-FOUR HOURS IMMEDIATELY PRECEDING THE IMMOBILIZATION,
11 FROM THE FOLLOWING PERSON THAT MUST DOCUMENT THE PERMISSION BY
12 SIGNING THE FORM CREATED IN ACCORDANCE WITH SUBSECTION (1)(b)(I)
13 OF THIS SECTION:

14 (A) THE OWNER OF OR LEASEHOLDER OF THE PRIVATE PROPERTY; 15 EXCEPT THAT, IF THE OWNER OR LEASEHOLDER WOULD EARN INCOME 16 FROM THE IMMOBILIZATION, THE VEHICLE IMMOBILIZATION COMPANY 17 SHALL NOT PERFORM THE IMMOBILIZATION BUT MAY AUTHORIZE ANOTHER 18 VEHICLE IMMOBILIZATION COMPANY TO PERFORM THE IMMOBILIZATION; 19 (B) A PERSON SUBJECT TO THE "COLORADO COMMON INTEREST 20 OWNERSHIP ACT", ARTICLE 33.3 OF TITLE 38, IF THE PRIVATE PROPERTY 21 IS LOCATED WITHIN THE BOUNDARIES OF THE PERSON'S AREA OF 22 OPERATION; OR

(C) AN EMPLOYEE OF A PERSON DESCRIBED IN SUBSECTION
(1)(a)(II)(A) OR (1)(a)(II)(B) OF THIS SECTION OR AN EMPLOYEE OF A
PROPERTY MANAGEMENT COMPANY RETAINED TO COLLECT RENT AND
PERFORM RESIDENTIAL SERVICES; EXCEPT THAT THE EMPLOYEE WHO HAS
A FINANCIAL INTEREST IN OR RELATIONSHIP WITH THE VEHICLE

IMMOBILIZATION COMPANY OR A PARKING LOT MANAGEMENT COMPANY
 THAT EARNS INCOME FROM MANAGING OR CONTROLLING PARKING OR
 PERMISSION TO PARK OR THAT EARNS INCOME FROM IMMOBILIZATIONS
 SHALL NOT GRANT PERMISSION TO AUTHORIZE THE IMMOBILIZATION.

5 (b) (I) THE COMMISSION SHALL CREATE A FORM THAT IMPLEMENTS
6 SUBSECTION (1)(a)(II) OF THIS SECTION.

7 (II) THE VEHICLE IMMOBILIZATION COMPANY MUST RETAIN FOR
8 THREE YEARS AFTER THE IMMOBILIZATION THE SIGNED FORM REQUIRED BY
9 SUBSECTION (1)(a)(II) OF THIS SECTION AND, UPON REQUEST, PROVIDE THE
10 SIGNED FORM TO THE AUTHORIZED OR INTERESTED PERSON.

(2) A PROPERTY OWNER WITH TENANTS SHALL ISSUE EACH TENANT
A WRITTEN DOCUMENT CONTAINING ANY APPLICABLE PARKING
REGULATIONS BEFORE THE REGULATIONS ARE ADOPTED OR AMENDED OR
BEFORE THE PERSON AGREES TO BE A TENANT.

(3) (a) EXCEPT AS PROVIDED IN SUBSECTION (3)(d) OF THIS
SECTION, A VEHICLE IMMOBILIZATION COMPANY SHALL NOT IMMOBILIZE
A VEHICLE IN A PARKING SPACE OR COMMON PARKING AREA WITHOUT THE
VEHICLE IMMOBILIZATION COMPANY OR PROPERTY OWNER GIVING THE
VEHICLE OWNER OR OPERATOR TWENTY-FOUR HOURS' WRITTEN NOTICE,
UNLESS THE VEHICLE OWNER OR OPERATOR HAS RECEIVED TWO PREVIOUS
NOTICES FOR PARKING INAPPROPRIATELY IN THE SAME MANNER.

(b) THE VEHICLE IMMOBILIZATION COMPANY OR PROPERTY OWNER
SHALL PROVIDE THE NOTICE REQUIRED IN SUBSECTION (3)(a) OF THIS
SECTION BY PLACING A WRITTEN NOTICE ON THE WINDSHIELD OF THE
VEHICLE AT LEAST TWENTY-FOUR HOURS BEFORE IMMOBILIZING THE
VEHICLE.

27 (c) THE NOTICE REQUIRED IN SUBSECTION (3)(a) OF THIS SECTION

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1 MUST STATE CLEARLY:

2 (I) THAT THE VEHICLE WILL BE IMMOBILIZED IF THE VEHICLE
3 REMAINS PARKED INAPPROPRIATELY;

4 (II) A DESCRIPTION OF THE INAPPROPRIATE PARKING THAT HAS
5 CAUSED THE NOTICE TO BE GIVEN;

6 (III) THE DATE AND TIME THE VEHICLE WILL BE IMMOBILIZED IF IT
7 IS NOT MOVED TO APPROPRIATE PARKING OR THE INAPPROPRIATE PARKING
8 HAS NOT BEEN CORRECTED; AND

9 (IV) THAT CONTINUING TO PARK INAPPROPRIATELY IN THE SAME
10 MANNER MAY LEAD TO THE VEHICLE BEING IMMOBILIZED WITHOUT
11 NOTICE.

12 (d) IF A VEHICLE IS PARKED A THIRD OR SUBSEQUENT TIME IN THE 13 SAME INAPPROPRIATE MANNER THAT CAUSED IT TO RECEIVE PREVIOUS 14 NOTICES, THE VEHICLE IMMOBILIZATION COMPANY OR PROPERTY OWNER 15 NEED NOT GIVE THE NOTICE REQUIRED IN SUBSECTION (3)(a) OF THIS 16 SECTION BEFORE IMMOBILIZING THE VEHICLE, BUT THE VEHICLE 17 IMMOBILIZATION COMPANY MUST PLACE A NOTICE ON THE IMMOBILIZED 18 VEHICLE THAT CONTAINS THE PHONE NUMBER OF THE COMPANY, THE 19 NORMAL OPERATING HOURS OF THE COMPANY, AND THE PHONE NUMBER 20 TO CONTACT THE COMPANY OUTSIDE OF NORMAL OPERATING HOURS.

21 (e) FOR PURPOSES OF THIS SUBSECTION (3), A VEHICLE IS PARKED
22 INAPPROPRIATELY WHEN IT IS PARKED IN A MANNER THAT:

23 (I) VIOLATES THE PROCEDURES NECESSARY TO OBTAIN
24 AUTHORIZATION TO PARK IN THE LOT OR SPACE;

25 (II) FAILS TO COMPLY WITH THE PROPERTY OWNER'S SIGNS OR THE
26 AGREEMENTS OF THE TENANTS; OR

27 (III) VIOLATES A STATUTE, RULE, ORDINANCE, OR RESOLUTION OF

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1 THE STATE OR A POLITICAL SUBDIVISION OF THE STATE.

2 (4) (a) A VEHICLE IMMOBILIZATION COMPANY SHALL NOT
3 IMMOBILIZE A VEHICLE ON PRIVATE PROPERTY NORMALLY USED FOR
4 PARKING UNLESS:

5 (I) NOTICE OF THE PARKING REGULATIONS WAS PROVIDED TO THE
6 VEHICLE OPERATOR UPON ENTERING THE PRIVATE PROPERTY AND PARKING
7 THE VEHICLE; AND

8 (II) NOTICE THAT A VEHICLE PARKED IN VIOLATION OF THE 9 REGULATIONS IS SUBJECT TO IMMOBILIZATION AT THE VEHICLE OWNER'S 10 EXPENSE WAS PROVIDED TO THE VEHICLE OPERATOR UPON ENTERING THE 11 PRIVATE PROPERTY AND PARKING THE VEHICLE.

12 (b) A PROPERTY OWNER WITH TENANTS SHALL PROVIDE THE
13 NOTICE DESCRIBED IN THIS SUBSECTION (4) BY ISSUING EACH TENANT A
14 WRITTEN DOCUMENT CONTAINING THE APPLICABLE PARKING REGULATIONS
15 BEFORE THE REGULATIONS ARE ADOPTED OR AMENDED OR BEFORE THE
16 PERSON AGREES TO BE A TENANT.

(5) UNLESS THE IMMOBILIZATION IS BASED ON AN ORDER GIVEN BY
A PEACE OFFICER, A VEHICLE IMMOBILIZATION COMPANY SHALL NOT
IMMOBILIZE A VEHICLE ON PRIVATE PROPERTY BECAUSE THE REAR LICENSE
PLATE OF THE VEHICLE OR THE RECORD OBTAINED USING THE SYSTEM
DESCRIBED IN SECTION 42-4-2103 (3)(c)(III) INDICATES THAT THE
VEHICLE'S REGISTRATION HAS EXPIRED.

40-10.1-806. Signage required to immobilize a vehicle effective date. (1) IN ORDER FOR A VEHICLE IMMOBILIZATION COMPANY
TO IMMOBILIZE A VEHICLE, THE PROPERTY OWNER MUST HAVE POSTED
SIGNAGE THAT:

27 (a) IS NOT LESS THAN TWO SQUARE FEET IN SIZE;

1 (b) HAS LETTERING NOT LESS THAN ONE INCH IN HEIGHT; 2 (c) HAS LETTERING THAT CONTRASTS SHARPLY IN COLOR WITH THE 3 BACKGROUND ON WHICH THE LETTERS ARE PLACED AND CONTRASTS 4 SHARPLY WITH THE STRUCTURE THE SIGNS ARE PLACED ON; 5 (d) CONTAINS THE FOLLOWING INFORMATION IN THE ORDER LISTED 6 BELOW: 7 (I) THE RESTRICTION OR PROHIBITION ON PARKING; 8 (II) THE TIMES OF THE DAY AND DAYS THAT THE RESTRICTION IS 9 APPLICABLE, BUT, IF THE RESTRICTION APPLIES TWENTY-FOUR HOURS PER 10 DAY, SEVEN DAYS PER WEEK, THE SIGN MUST SAY "AUTHORIZED PARKING 11 ONLY"; 12 (III) NOTICE THAT VIOLATING THE REGULATION SUBJECTS THE 13 VIOLATING VEHICLE TO BE IMMOBILIZED AT THE VEHICLE OWNER'S 14 EXPENSE; AND 15 (IV) THE NAME AND TELEPHONE NUMBER OF THE VEHICLE 16 IMMOBILIZATION COMPANY AUTHORIZED TO PERFORM IMMOBILIZATIONS 17 ON THE PRIVATE PROPERTY; 18 (e) IS PRINTED IN ENGLISH AND SPANISH; 19 (f) IS PERMANENTLY MOUNTED BOTH: 20 (I) AT EACH ENTRANCE TO THE PRIVATE PROPERTY SO THAT THE 21 SIGN FACES OUTWARD TOWARD THE STREET AND IS VISIBLE BEFORE AND 22 UPON ENTERING THE PRIVATE PROPERTY; AND 23 (II) INSIDE THE PRIVATE PROPERTY SO THAT THE SIGN FACES 24 OUTWARD TOWARD THE PARKING AREA; 25 (g) IS NOT OBSTRUCTED FROM VIEW OR PLACED IN A MANNER THAT 26 PREVENTS DIRECT VISIBILITY; 27 (h) IS NOT PLACED HIGHER THAN TEN FEET OR LOWER THAN THREE 1 FEET FROM THE SURFACE CLOSEST TO THE SIGN'S PLACEMENT;

2 (i) HAS THE SAME NUMBER OF SIGNS AS THE NUMBER OF
3 LAMPPOSTS IF THE PARKING AREA HAS MORE THAN TEN FREESTANDING
4 LAMPPOSTS ON THE PROPERTY, AND:

(I) A SIGN IS POSTED ON EACH LAMPPOST; OR

5

6 (II) A SIGN IS POSTED UPRIGHT IN CONSPICUOUS LOCATIONS
7 EVENLY DISTRIBUTED ACROSS THE PARKING AREA.

8 (2) THE SIGNAGE REQUIRED BY THIS SECTION MAY BE COMBINED
9 WITH THE SIGNAGE REQUIRED IN SECTION 40-10.1-405.

10 (3) (a) This section is effective January 1, 2026.

11 (b) THIS SUBSECTION (3) IS REPEALED, EFFECTIVE JULY 2, 2026.

40-10.1-807. Patrolling prohibited. A VEHICLE IMMOBILIZATION
COMPANY SHALL NOT PATROL OR MONITOR PROPERTY TO ENFORCE
PARKING RESTRICTIONS ON BEHALF OF A PROPERTY OWNER.

40-10.1-808. Insurance must be provided. IN CONNECTION WITH
AN IMMOBILIZATION, A VEHICLE IMMOBILIZATION COMPANY SHALL
PROVIDE, UPON REQUEST, EVIDENCE OF THE VEHICLE IMMOBILIZATION
COMPANY'S COMMERCIAL LIABILITY INSURANCE COVERAGE, INCLUDING
MOTOR VEHICLE LIABILITY COVERAGE, TO AN AUTHORIZED OR INTERESTED
PERSON.

40-10.1-809. Payment requirements - itemized bills. (1) (a) A
VEHICLE IMMOBILIZATION COMPANY SHALL IMMEDIATELY ACCEPT
PAYMENT IF OFFERED IN CASH OR BY VALID MAJOR CREDIT CARD. UPON
PAYMENT, THE VEHICLE IMMOBILIZATION COMPANY SHALL RELEASE THE
VEHICLE TO AN AUTHORIZED OR INTERESTED PERSON.

26 (b) A VEHICLE IMMOBILIZATION COMPANY SHALL DISCLOSE
 27 ACCEPTED FORMS OF PAYMENT, INCLUDING THOSE FORMS REQUIRED TO BE

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1 ACCEPTED IN ACCORDANCE WITH SUBSECTION (1)(a) OF THIS SECTION.

2 (2) A VEHICLE IMMOBILIZATION COMPANY SHALL PROVIDE TO AN
3 AUTHORIZED OR INTERESTED PERSON AN ITEMIZED BILL SHOWING EACH
4 CHARGE AND THE RATE FOR EACH FEE INCURRED AS A RESULT OF AN
5 IMMOBILIZATION AND ANY FEE THAT CAUSED THE IMMOBILIZATION.

40-10.1-810. Release requirements - notice - private property
release for nonconsensual tow. (1) IF A VEHICLE IMMOBILIZATION
COMPANY HAS IMMOBILIZED A VEHICLE ON PRIVATE PROPERTY, THE
VEHICLE IMMOBILIZATION COMPANY SHALL GIVE THE AUTHORIZED OR
INTERESTED PERSON THAT IS HAVING THE VEHICLE RELEASED A WRITTEN
NOTICE OF THE PERSON'S ABILITY TO MAKE A COMPLAINT TO THE
COMMISSION. THE NOTICE:

13 (a) MUST BE WRITTEN IN A CONSPICUOUS TYPEFACE AND FONT ON
14 THE INVOICE, RECEIPT, AND BILL FOR RELEASING THE VEHICLE; AND

(b) MUST NOT BE IN A TYPEFACE OR FONT THAT IS SMALLER THAN
THE OTHER NUMBERS OR WORDS ON THE INVOICE, RECEIPT, OR BILL, AS
APPLICABLE.

18 (2) A VEHICLE IMMOBILIZATION COMPANY SHALL RELEASE THE
19 MOTOR VEHICLE TO AN AUTHORIZED OR INTERESTED PERSON EITHER:

20 (a) WITHIN ONE HUNDRED TWENTY MINUTES AFTER BEING
 21 CONTACTED BY THE AUTHORIZED OR INTERESTED PERSON OUTSIDE OF THE
 22 VEHICLE IMMOBILIZATION COMPANY'S NORMAL BUSINESS HOURS; OR

(b) WITHIN NINETY MINUTES AFTER BEING CONTACTED BY THE
AUTHORIZED OR INTERESTED PERSON DURING THE VEHICLE
IMMOBILIZATION COMPANY'S NORMAL BUSINESS HOURS.

26 (3) A VEHICLE IMMOBILIZATION COMPANY SHALL IMMEDIATELY
 27 RELEASE A VEHICLE AND REMOVE THE IMMOBILIZATION DEVICE WITHOUT

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CHARGE TO A TOWING CARRIER WHEN EVIDENCE IS PRESENTED THAT THE
 TOWING CARRIER HAS AUTHORIZATION TO CONDUCT A NONCONSENSUAL
 TOW OR LAW-ENFORCEMENT-DIRECTED TOW.

4 40-10.1-811. Partial-payment release - partial charge - form
5 required. (1) (a) A VEHICLE IMMOBILIZATION COMPANY SHALL
6 IMMEDIATELY RELEASE AN IMMOBILIZED VEHICLE IF:

7 (I) THE AUTHORIZED OR INTERESTED PERSON PAYS AT LEAST SIXTY
8 DOLLARS OF THE AMOUNT OWED TO THE VEHICLE IMMOBILIZATION
9 COMPANY FOR THE IMMOBILIZATION;

10 (II) THE AUTHORIZED OR INTERESTED PERSON IS NOT A
11 LIENHOLDER OR INSURANCE COMPANY; AND

12 (III) THE AUTHORIZED OR INTERESTED PERSON COMPLIES WITH13 SUBSECTION (1)(b) OF THIS SECTION.

14 (b) (I) FOR AN AUTHORIZED OR INTERESTED PERSON TO RETRIEVE 15 A VEHICLE WITHOUT PAYING THE VEHICLE IMMOBILIZATION COMPANY THE 16 TOTAL AMOUNT OWED TO THE COMPANY, THE AUTHORIZED OR 17 INTERESTED PERSON MUST SIGN A FORM AFFIRMING THAT THE 18 AUTHORIZED OR INTERESTED PERSON OWES THE COMPANY PAYMENT FOR 19 FEES THAT COMPLY WITH THIS ARTICLE 10.1 OR ARTICLE 20 OF TITLE 38. 20 KNOWINGLY PROVIDING FALSE INFORMATION ON THE FORM IS UNLAWFUL. 21 SIGNING THE FORM DOES NOT PROHIBIT AN AUTHORIZED OR INTERESTED 22 PERSON FROM FILING A COMPLAINT WITH THE COMMISSION OR PURSUING 23 OTHER REMEDIES. THE VEHICLE IMMOBILIZATION COMPANY MAY USE THE 24 FORM TO TAKE REASONABLE ACTIONS TO COLLECT THE DEBT. 25 REASONABLE ACTIONS INCLUDE INITIATING A COURT ACTION OR USING A 26 COLLECTION AGENCY.

27 (II) THE COMMISSION SHALL:

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1 (A) CREATE THE FORM;

2 (B) TITLE THE FORM: "IMMOBILIZED VEHICLE RELEASE NOTICE
3 WITH PAYMENT OWED"; AND

4 (C) PROVIDE THE FORM ON THE COMMISSION'S WEBSITE FOR
5 VEHICLE IMMOBILIZATION COMPANIES TO RETRIEVE AND USE.

6 (c) TO RELEASE A VEHICLE IN ACCORDANCE WITH SUBSECTION
7 (1)(a) OF THIS SECTION, A VEHICLE IMMOBILIZATION COMPANY SHALL NOT
8 REQUIRE A PERSON TO UNDERGO AN APPROVAL PROCESS, OTHER THAN
9 SIGNING THE FORM CREATED PURSUANT TO SUBSECTION (1)(b) OF THIS
10 SECTION.

(2) (a) A VEHICLE IMMOBILIZATION COMPANY SHALL CHARGE A
REDUCED RELEASE CHARGE IN AN AMOUNT SET BY THE COMMISSION TO
RELEASE A VEHICLE IF THE VEHICLE IS RELEASED AFTER AN EMPLOYEE OF
OR AGENT OF THE VEHICLE IMMOBILIZATION COMPANY STARTS TO
IMMOBILIZE THE VEHICLE BUT BEFORE THE AGENT OR EMPLOYEE LEAVES
THE PRIVATE PROPERTY.

(b) IF APPROACHED BY AN AUTHORIZED OR INTERESTED PERSON
BEFORE THE VEHICLE IS IMMOBILIZED ON PRIVATE PROPERTY, THE VEHICLE
IMMOBILIZATION COMPANY SHALL NOTIFY THE AUTHORIZED OR
INTERESTED PERSON THAT THE COMPANY IS REQUIRED TO RELEASE THE
VEHICLE UPON REQUEST OF THE AUTHORIZED OR INTERESTED PERSON AND
PAYMENT OF THE CHARGE DESCRIBED IN SUBSECTION (2)(a) OF THIS
SECTION.

(c) UPON REQUEST BY THE AUTHORIZED OR INTERESTED PERSON
AND PAYMENT OF THE CHARGE DESCRIBED IN SUBSECTION (2)(a) OF THIS
SECTION, THE VEHICLE IMMOBILIZATION COMPANY SHALL IMMEDIATELY
STOP AN IMMOBILIZATION IN PROGRESS ON PRIVATE PROPERTY.

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40-10.1-812. Records. A VEHICLE IMMOBILIZATION COMPANY
 SHALL RETAIN EVIDENCE, INCLUDING PHOTOGRAPHS OF THE RELEVANT
 SIGNS AND OF THE VEHICLE, OF GIVING THE NOTICES AND DISCLOSURES
 REQUIRED IN SECTIONS 40-10.1-802, 40-10.1-805, AND 40-10.1-806 FOR
 THREE YEARS AFTER THE DATE OF COMPLETION OF AN IMMOBILIZATION
 AND PROVIDE THE EVIDENCE TO THE COMMISSION OR AN ENFORCEMENT
 OFFICIAL UPON REQUEST.

40-10.1-813. Applicability - exceptions. (1) SECTIONS
40-10.1-802 TO 40-10.1-812 DO NOT APPLY TO:

10 (a) AN IMMOBILIZATION ORDERED BY A PEACE OFFICER OR
11 TECHNICIAN DIRECTED BY A PEACE OFFICER IN THE COURSE AND SCOPE OF
12 THE OFFICER'S OR TECHNICIAN'S DUTIES;

13 (b) AN IMMOBILIZATION IN A PARKING SPACE THAT SERVES A
14 BUSINESS IF THE PARKING SPACE IS ON COMMERCIAL REAL ESTATE, AS
15 DEFINED IN SECTION 38-22.5-102 (2); OR

16 (c) AN IMMOBILIZATION ORDERED BY A MUNICIPALITY, A COUNTY,
17 OR A CITY AND COUNTY OR PERFORMED BY AN AGENT OF, CONTRACTOR
18 OF, OR EMPLOYEE OF A MUNICIPALITY, A COUNTY, OR A CITY AND COUNTY.

40-10.1-814. Kickbacks prohibited. A VEHICLE IMMOBILIZATION
COMPANY SHALL NOT PAY MONEY OR PROVIDE OTHER VALUABLE
CONSIDERATION FOR THE PRIVILEGE OF IMMOBILIZING VEHICLES.

40-10.1-815. Rules. The commission may adopt rules as
NECESSARY AND REASONABLE TO IMPLEMENT THIS PART 8.

40-10.1-816. Violators subject to penalties. AN IMMOBILIZATION
IN VIOLATION OF SECTIONS 40-10.1-802 TO 40-10.1-812 OR SECTION
40-10.1-814 BY A VEHICLE IMMOBILIZATION COMPANY IS A DECEPTIVE
TRADE PRACTICE UNDER SECTION 6-1-105 (1)(iiii) AND IS SUBJECT TO

- ENFORCEMENT BY THE ATTORNEY GENERAL'S OFFICE OR A DISTRICT
 ATTORNEY OR ENFORCEMENT.
- 3 SECTION 4. In Colorado Revised Statutes, 6-1-105, add (1)(iiii)
 4 as follows:

6-1-105. Unfair or deceptive trade practices - definitions.
(1) A person engages in a deceptive trade practice when, in the course of
the person's business, vocation, or occupation, the person:

8 (iiii) IS A VEHICLE IMMOBILIZATION COMPANY AND IMMOBILIZES
9 A VEHICLE IN VIOLATION OF SECTIONS 40-10.1-802 TO 40-10.1-812 OR
10 SECTION 40-10.1-814.

SECTION 5. Applicability. This act applies to violations
 committed on or after the effective date of this act.

SECTION 6. Safety clause. The general assembly finds,
determines, and declares that this act is necessary for the immediate
preservation of the public peace, health, or safety or for appropriations for
the support and maintenance of the departments of the state and state
institutions.