

**First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 25-0824.01 Jery Payne x2157

HOUSE BILL 25-1189

HOUSE SPONSORSHIP

Mauro,

SENATE SPONSORSHIP

(None),

House Committees

Transportation, Housing & Local Government

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING REGULATION RELATED TO THE REGISTRATION OF MOTOR**
102 **VEHICLES.**

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 sets fees for the titling and registration of vehicles and authorizes county clerks, as authorized agents of the department of revenue (department), to retain a portion of these fees to cover their costs. The bill raises the fees for the following by \$4 and allows the county clerks to retain the additional \$4:

- Issuing:

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
*Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.*

- Motor vehicle and other vehicle registrations requiring license plates;
- Temporary registration license plates;
- A validation tab, sticker, decal, or certificate for license plates; and
- A certificate of title;
- Filing, extending, or releasing a lien; and
- Obtaining a copy of a recorded title.

The department must increase these fees to account for inflation, but the department may not increase a fee more than 5% per year.

Current law authorizes a county clerk to set fees for shipping and handling of license plates. The bill authorizes the county clerk to set fees for the shipping and handling of motor vehicle documents. The county clerk is required to set and publish the fee by October 15 for registration periods beginning January 1 of the following year.

Current law allows people to register vehicles for less than one year so that each of their vehicles expire on the same month. The bill removes the multiple-vehicle requirement to allow people to register a vehicle for less than one year for any reason.

Current law requires a salvage vehicle's title to have a brand that says "rebuilt from salvage". The bill requires this brand to include a disclosure statement, which must:

- Include the reason the vehicle is salvage, as listed in statute;
- Contain a statement from the owner stating the nature of the damage that resulted in the determination that the vehicle is a salvage vehicle; and
- Contain the signature of the seller and buyer to sell the salvage vehicle.

Current law requires the seller of a salvage vehicle to provide a disclosure statement of the fact and have it signed. And if the buyer does not know about the vehicle being rebuilt from salvage, the buyer is entitled to a refund. The bill requires this disclosure statement and the buyer to be provided the refund only if the title of a salvage vehicle does not have the brand on the title or the vehicle is subject to multiple assignments.

Current law provides the option to have a rebuilder's certificate of title when a motor vehicle is a collector's item, the applicant is unable to provide appropriate evidence of ownership, and the applicant posts a bond. The bill authorizes the department to issue a rebuilder's certificate of title to people who can prove ownership. Under the current process, 2 bonds may be required. The bill changes the process to require only one bond.

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

2 **SECTION 1.** In Colorado Revised Statutes, 42-1-210, **amend**
3 (1)(a)(II) as follows:

4 **42-1-210. Authorized agents - legislative declaration - fee.**

5 (1) (a) (II) (A) An authorized agent may appoint and employ such motor
6 vehicle registration and license clerks as are actually necessary in the
7 issuance of motor vehicle licenses and may retain for the purpose of
8 defraying these expenses, including mailing, ~~a sum equal to four~~ EIGHT
9 dollars per paid motor vehicle registration and registration requiring a
10 license plate or plates; individual temporary registration number plates;
11 or a validation tab, sticker, decal, or certificate as provided in sections
12 42-3-201 and 42-3-203. This fee of ~~four~~ EIGHT dollars applies to every
13 registration of a motor vehicle, except motor vehicles that are specifically
14 exempted from payment of any registration fee by article 3 of this title 42,
15 and THE FEE is required in addition to the annual registration fee
16 prescribed by law for a motor vehicle. ~~When the department collects the~~
17 ~~fee, the department shall transfer the fee to~~ The state treasurer who shall
18 credit ~~it~~ THE FEE to the Colorado DRIVES vehicle services account
19 created in section 42-1-211; except that, if the fee is collected by a
20 third-party provider, the department shall transmit the fee to the
21 authorized agent where the vehicle or special mobile machinery is
22 registered. Authorized agents serve under this part 2 without additional
23 remuneration or fees, except as otherwise provided in articles 1 to 6 of
24 this title 42.

25 (B) THE DEPARTMENT SHALL ANNUALLY ADJUST FOR INFLATION
26 THE FEE IMPOSED IN SUBSECTION (1)(a)(II)(A) OF THIS SECTION; EXCEPT
27 THAT THE DEPARTMENT SHALL NOT RAISE THE FEE BY MORE THAN FIVE

1 PERCENT PER YEAR OR LOWER THE FEE. INFLATION IS MEASURED BY THE
2 ANNUAL PERCENTAGE INCREASE IN THE UNITED STATES DEPARTMENT OF
3 LABOR'S BUREAU OF LABOR STATISTICS CONSUMER PRICE INDEX, OR A
4 SUCCESSOR INDEX, FOR DENVER-AURORA-LAKEWOOD FOR ALL ITEMS
5 PAID FOR BY URBAN CONSUMERS.

6 **SECTION 2.** In Colorado Revised Statutes, 42-3-102, **amend**
7 (3)(a) as follows:

8 **42-3-102. Periodic registration - rules.** (3) (a) The department
9 may register vehicles at intervals of less than one year upon payment of
10 the appropriate registration fees, surcharges, and specific ownership tax
11 in order to allow the owner of ~~more than one vehicle to provide for the~~
12 ~~owner's vehicle registrations to expire simultaneously~~ TO CHOOSE THE
13 MONTH OF EXPIRATION. The owner of a vehicle that is eligible as
14 determined by the authorized agent may elect a registration pursuant to
15 this subsection (3). The department may adopt rules as necessary for the
16 administration of this subsection (3).

17 **SECTION 3.** In Colorado Revised Statutes, 42-3-304, **amend**
18 (22) as follows:

19 **42-3-304. Registration fees - passenger-mile taxes - clean**
20 **screen fund - pilot program - report - rules - definitions.** (22) In
21 addition to any other fees imposed by this section, ~~the~~ AN authorized
22 agent may collect and retain, and an applicant for registration ~~shall~~ MUST
23 pay at the time of registration, a ~~reasonable~~ fee, as determined ~~from time~~
24 ~~to time~~ by the authorized agent, that approximates the direct ~~and indirect~~
25 costs incurred, not to exceed five dollars, by the authorized agent in
26 shipping and handling ~~those~~ MOTOR VEHICLE DOCUMENTS OR license
27 plates that the applicant has pursuant to section 42-3-105(1)(a), requested

1 that the department mail to the owner. ON AN ANNUAL BASIS, AN
2 AUTHORIZED AGENT MAY, ON OR BEFORE OCTOBER 15, CALCULATE AND
3 PUBLISH ON COUNTY PUBLIC-FACING MEDIA THE FEE THAT APPLIES TO THE
4 REGISTRATION PERIOD BEGINNING JANUARY 1 OF THE FOLLOWING YEAR.

5 **SECTION 4.** In Colorado Revised Statutes, 42-6-107, **amend**
6 (1)(a)(III) as follows:

7 **42-6-107. Certificates of title - contents - rules.** (1) (a) (III) If
8 a vehicle shows a brand in the vehicle's title history, or if the vehicle is
9 subject to a brand, the department shall place the appropriate brand on the
10 certificate of title. If the vehicle has multiple brands, the department shall
11 place the most recent brand on the certificate of title and the notice "other
12 brands exist". If the brand is from a certificate of title issued in another
13 jurisdiction, the brand must be carried forward to the Colorado certificate
14 of title along with the name of the jurisdiction originating the brand. On
15 and after January 1, 2027, the appropriate brand is "Lemon Law
16 Buyback" if a motor vehicle is a lemon law buyback vehicle, as defined
17 in section 42-10-101 (1.5). IF THE BRAND IS "REBUILT FROM
18 SALVAGE" AS DESCRIBED IN SECTION 42-6-136.5, THE DEPARTMENT
19 SHALL INCLUDE A STATEMENT OF SALVAGE DISCLOSURE ON THE TITLE.
20 THE STATEMENT OF SALVAGE DISCLOSURE MUST:

21 (A) INCLUDE THE REASON THE VEHICLE IS A SALVAGE VEHICLE, AS
22 LISTED IN SECTION 42-6-102 (17)(a)(I);

23 (B) CONTAIN A STATEMENT FROM THE OWNER STATING THE
24 NATURE OF THE DAMAGE THAT RESULTED IN THE DETERMINATION THAT
25 THE VEHICLE IS A SALVAGE VEHICLE; AND

26 (C) CONTAIN THE SIGNATURE OF THE SELLER AND BUYER TO SELL
27 THE SALVAGE VEHICLE.

1 **SECTION 5.** In Colorado Revised Statutes, 42-6-137, **amend**
2 (1)(a), (2), (3), (4), (5), and (8) as follows:

3 **42-6-137. Fees - rules.** (1) (a) ~~Upon filing~~ TO FILE with ~~the AN~~
4 authorized agent an application for a certificate of title, ~~the AN~~ applicant
5 ~~shall~~ MUST pay to the agent a fee of ~~seven~~ ELEVEN dollars and twenty
6 cents, which ~~shall be~~ IS in addition to the fees for the registration of ~~such~~
7 THE motor vehicle. If the additional fee of ~~seven~~ ELEVEN dollars and
8 twenty cents is collected by a third-party provider, as defined in section
9 42-1-102, the provider shall collect and remit the fee to the department,
10 ~~who~~ AND THE DEPARTMENT shall transmit the fee to the authorized agent.

11 (2) ~~Upon the receipt by an authorized agent of~~ TO FILE FOR a
12 mortgage ~~for filing~~ under section 42-6-121, 42-6-125, or 42-6-129, ~~the A~~
13 filer ~~shall~~ MUST pay ~~the AN~~ authorized agent the fees that are imposed by
14 law for the filing of like instruments in the office of the county clerk and
15 recorder and, in addition, a fee of ~~seven~~ ELEVEN dollars and twenty cents
16 for the issuance or recording of the certificate of title and the notation of
17 the existence of the mortgage. If the additional fee of ~~seven~~ ELEVEN
18 dollars and twenty cents is collected by a third-party provider, as defined
19 in section 42-1-102, the provider shall collect and remit the fee to the
20 department, ~~who~~ AND THE DEPARTMENT shall transmit the fee to the
21 authorized agent.

22 (3) ~~Upon application~~ TO APPLY to ~~the AN~~ authorized agent to have
23 noted or recorded on a certificate of title the extension of a mortgage
24 described in the certificate of title and noted or recorded on the certificate,
25 ~~such authorized agent shall receive~~ AN APPLICANT SHALL PAY a fee of one
26 dollar and fifty cents TO THE AUTHORIZED AGENT.

27 (4) Upon the release and satisfaction of a mortgage and ~~upon~~

1 application TO APPLY to the AN authorized agent for the notation on the
2 certificate of title pursuant to section 42-6-125, ~~such authorized agent~~
3 ~~shall be paid~~ AN APPLICANT MUST PAY a fee of ~~seven~~ ELEVEN dollars and
4 twenty cents TO THE AUTHORIZED AGENT.

5 (5) For the issuance of a copy of a recorded certificate of title,
6 except as may be otherwise provided in this part 1, the ~~authorized agent~~
7 ~~shall be paid~~ REQUESTOR MUST PAY a fee of ~~eight~~ TWELVE dollars and
8 twenty cents TO THE AUTHORIZED AGENT. If the department assigns a new
9 identifying number to any motor vehicle, the fee charged for such
10 assignment shall be three dollars and fifty cents.

11 (8) (a) Notwithstanding the amount specified for any fee in this
12 section, the director by rule or as otherwise provided by law may reduce
13 the amount of one or more of the fees if necessary pursuant to section
14 24-75-402 (3) ~~C.R.S.~~, to reduce the uncommitted reserves of the fund to
15 which all or any portion of one or more of the fees is credited. After the
16 uncommitted reserves of the fund are sufficiently reduced, the director by
17 rule or as otherwise provided by law may increase the amount of one or
18 more of the fees as provided in section 24-75-402 (4). ~~C.R.S.~~

19 (b) WHEN THE AMOUNT OF THE FEES RETAINED BY THE
20 AUTHORIZED AGENT IS INCREASED IN ACCORDANCE WITH SECTION
21 42-6-138 (1), THE DEPARTMENT SHALL INCREASE THE FEES LISTED IN
22 SUBSECTIONS (1)(a), (2), (4), AND (5) OF THIS SECTION BY THE SAME
23 AMOUNT TO ACCOUNT FOR THE INCREASE.

24 **SECTION 6.** In Colorado Revised Statutes, 42-6-138, **amend**
25 (1)(a), (2) introductory portion, and (2)(a); and **add** (1)(c) as follows:

26 **42-6-138. Disposition of fees.** (1) (a) All fees received by ~~the AN~~
27 authorized agent under section 42-6-137 (1)(a), (2), or (4) or 38-29-138

1 (1)(a), (2), or (4) upon application for a certificate of title ~~shall be~~ ARE
2 disposed of as follows: ~~Four~~ EIGHT dollars ~~shall be~~ ARE retained by the
3 authorized agent and disposition made as provided by law, AND three
4 dollars and twenty cents shall be credited to the Colorado DRIVES
5 vehicle services account created in section 42-1-211 (2).

6 (c) THE DEPARTMENT SHALL ANNUALLY ADJUST FOR INFLATION
7 THE FEE RETAINED BY THE AUTHORIZED AGENT IN SUBSECTION (1)(a) OF
8 THIS SECTION; EXCEPT THAT THE DEPARTMENT SHALL NOT RAISE THE FEE
9 BY MORE THAN FIVE PERCENT PER YEAR OR LOWER THE FEE. INFLATION IS
10 MEASURED BY THE ANNUAL PERCENTAGE INCREASE IN THE UNITED
11 STATES DEPARTMENT OF LABOR'S BUREAU OF LABOR STATISTICS
12 CONSUMER PRICE INDEX, OR A SUCCESSOR INDEX, FOR
13 DENVER-AURORA-LAKEWOOD FOR ALL ITEMS PAID FOR BY URBAN
14 CONSUMERS.

15 (2) ~~The~~ AN authorized agent shall dispose of all fees collected
16 under section 42-6-137 (5) or 38-29-138 (5) as follows:

17 (a) For a copy of a recorded certificate of title, ~~six~~ TEN dollars and
18 fifty cents shall be retained by the authorized agent and disposition made
19 as provided by law, and one dollar and seventy cents shall be credited to
20 the Colorado DRIVES vehicle services account created in section
21 42-1-211 (2); and

22 **SECTION 7.** In Colorado Revised Statutes, 42-6-206, **amend** (2)
23 introductory portion and (3)(a) as follows:

24 **42-6-206. Disclosure requirements upon transfer of ownership**
25 **of a salvage vehicle - rules - definitions.** (2) ~~Any~~ IF THE TITLE OF A
26 SALVAGE VEHICLE DOES NOT HAVE THE "REBUILT FROM SALVAGE"
27 BRAND ON THE TITLE, OR IF THE VEHICLE IS SUBJECT TO MULTIPLE

1 ASSIGNMENTS, A person ~~who~~ THAT sells a vehicle rebuilt from salvage for
2 ~~the purpose of transferring ownership of such vehicle~~ THE SALVAGE
3 VEHICLE shall:

4 (3) (a) Any person ~~who~~ THAT purchases a vehicle rebuilt from
5 salvage ~~who~~ THAT was not provided with a copy of a disclosure affidavit
6 prepared in accordance with ~~the provisions of~~ subsection (1) of this
7 section and ~~who~~ THAT, subsequent to sale, discovers that the vehicle
8 purchased was rebuilt from salvage shall be entitled to a full and
9 immediate refund of the purchase price from the prior owner UNLESS
10 SUBSECTION (2) OF THIS SECTION DOES NOT APPLY TO THE SALVAGE
11 VEHICLE.

12 **SECTION 8.** In Colorado Revised Statutes, 42-12-102, **amend**
13 **(3)(a); repeal (2)(b); and add (1)(c) and (2)(c) as follows:**

14 **42-12-102. Rebuilder's certificate of title.** (1) (c) IF AN
15 APPLICANT FOR A CERTIFICATE OF TITLE TO A MOTOR VEHICLE IS ABLE TO
16 PROVIDE THE DIRECTOR OR AN AUTHORIZED AGENT WITH A CERTIFICATE
17 OF TITLE DULY TRANSFERRED TO THE APPLICANT OR OTHER EVIDENCE OF
18 OWNERSHIP THAT SATISFIES THE DIRECTOR THAT THE APPLICANT OWNS
19 THE VEHICLE, THE DIRECTOR OR AUTHORIZED AGENT MAY ISSUE A
20 REBUILDER'S TITLE FOR THE MOTOR VEHICLE VALUED PRINCIPALLY
21 BECAUSE OF THE VEHICLE'S EARLY DATE OF MANUFACTURE, DESIGN, OR
22 HISTORICAL INTEREST OR VALUED AS A COLLECTOR'S ITEM IF:

- 23 (I) THE MOTOR VEHICLE IS NOT ROADWORTHY;
- 24 (II) THE MOTOR VEHICLE IS AT LEAST TWENTY-FIVE YEARS OLD;
- 25 (III) THE COMPONENTS OF THE MOTOR VEHICLE INCLUDE AT LEAST
26 A ROLLING CHASSIS; AND
- 27 (IV) THE APPLICANT OBTAINS A CERTIFIED VEHICLE

1 IDENTIFICATION NUMBER INSPECTION.

2 (2) If a motor vehicle titled under this section is later made
3 roadworthy, the department shall issue to an applicant a standard
4 certificate of title if the applicant:

5 (b) ~~Furnishes a bond under subsection (3) of this section.~~

6 (c) SURRENDERS THE PREVIOUS OWNERSHIP DOCUMENT OR TITLE.

7 (3) (a) ~~To convert a rebuilder's title to a standard certificate of~~
8 ~~title, the~~ TO COMPLY WITH SUBSECTION (1)(a)(VI) OF THIS SECTION, AN
9 applicant ~~shall~~ MUST furnish evidence of a savings account, deposit, or
10 certificate of deposit meeting the requirements of section 11-35-101
11 ~~C.R.S.~~, or a good and sufficient bond with a corporate surety. The
12 account, deposit, certificate, or bond must be in an amount fixed by the
13 director, but not less than twice the reasonable value of the vehicle,
14 determined as of the time of application. The applicant and the applicant's
15 surety ~~shall~~ MUST hold harmless any person ~~who~~ THAT suffers loss or
16 damage by reason of the filing of a certificate of title under this section.

17 **SECTION 9. Act subject to petition - effective date -**
18 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
19 the expiration of the ninety-day period after final adjournment of the
20 general assembly; except that, if a referendum petition is filed pursuant
21 to section 1 (3) of article V of the state constitution against this act or an
22 item, section, or part of this act within such period, then the act, item,
23 section, or part will not take effect unless approved by the people at the
24 general election to be held in November 2026 and, in such case, will take
25 effect on the date of the official declaration of the vote thereon by the
26 governor.

1 (2) This act applies to titles issued and fees incurred on or after
2 the applicable effective date of this act.