First Regular Session Seventy-first General Assembly STATE OF COLORADO

BILL 2

LLS NO. 17-0178.01 Jery Payne x2157

COMMITTEE BILL

Transportation Legislation Review Committee

A BILL FOR AN ACT

- 101 CONCERNING NARROWING THE CIRCUMSTANCES IN WHICH PHYSICAL
- 102 INSPECTION OF A VEHICLE IS REQUIRED BEFORE TITLING OR
- 103 **REGISTRATION OF THE VEHICLE.**

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://www.leg.state.co.us/billsummaries</u>.)

Transportation Legislation Review Committee. The bill specifies that the department of revenue may not require physical inspection of a vehicle to verify information about the vehicle before the registration or titling of the vehicle if:

• The applicant for a new registration for the vehicle presents

either a copy of a manufacturer's certificate of origin or a purchase receipt from the dealer or the out-of-state seller from whom the applicant purchased the vehicle that indicate that the applicant purchased the vehicle as new; or

• At the time of application, the vehicle is currently registered or titled in another Colorado county.

If an applicant for the filing of a Colorado certificate of title for a vehicle for which another state has issued a certificate of title presents either a copy of a manufacturer's certificate of origin or a purchase receipt from the dealer or the out-of-state seller from whom the applicant purchased the vehicle that indicate that the applicant purchased the vehicle as new, the applicant is exempted from the existing requirement that the applicant complete and include a vehicle identification number inspection form as part of the application.

Be it enacted by the General Assembly of the State of Colorado: 1 2 SECTION 1. In Colorado Revised Statutes, 42-3-105, amend 3 (1)(c)(I) introductory portion; and **add** (1)(c)(III) as follows: 4 **42-3-105.** Application for registration - tax. (1) (c) (I) EXCEPT 5 AS OTHERWISE PROVIDED IN SUBSECTION (1)(c)(III) OF THIS SECTION, the 6 department may require those vehicle-related entities specified by rule to 7 verify information concerning any vehicle through the physical inspection 8 of such vehicle. The information required to be verified by such a 9 physical inspection shall include: 10 (III) THE DEPARTMENT SHALL NOT REQUIRE A PHYSICAL 11 INSPECTION AS DESCRIBED IN SUBSECTION (1)(c)(I) OF THIS SECTION AS A 12 CONDITION FOR REGISTRATION OF A VEHICLE IF: 13 (A) THE APPLICANT FOR A NEW REGISTRATION FOR THE VEHICLE 14 PRESENTS EITHER A COPY OF A MANUFACTURER'S CERTIFICATE OF ORIGIN 15 OR A PURCHASE RECEIPT FROM THE DEALER OR THE OUT-OF-STATE SELLER 16 FROM WHOM THE APPLICANT PURCHASED THE VEHICLE THAT INDICATE 17 THAT THE APPLICANT PURCHASED THE VEHICLE AS NEW; OR

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(B) AT THE TIME OF APPLICATION, THE VEHICLE IS CURRENTLY
 REGISTERED IN ANOTHER COUNTY OF THE STATE.

3 SECTION 2. In Colorado Revised Statutes, 42-6-107, amend
4 (1)(b) as follows:

5 42-6-107. Certificates of title - contents - rules. 6 (1) (b) (I) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (1)(b)(II) OF 7 THIS SECTION, the department may require those vehicle-related entities 8 specified by regulation to verify information concerning a vehicle through 9 the physical inspection of such vehicle. The information required to be 10 verified by such a physical inspection shall include the vehicle 11 identification number or numbers, the make of vehicle, the vehicle model, 12 the type of vehicle, the year of manufacture of such vehicle, the type of 13 fuel used by such vehicle, the odometer reading of such vehicle, and such 14 other information as may be required by the department. For the purposes 15 of this paragraph (b), SUBSECTION (1)(b), "vehicle-related entity" means 16 an authorized agent or designated employee of such agent, a Colorado 17 law enforcement officer, a licensed Colorado dealer, a licensed inspection 18 and readjustment station, or a licensed diesel inspection station.

19 (II) THE DEPARTMENT SHALL NOT REQUIRE A PHYSICAL 20 INSPECTION AS DESCRIBED IN SUBSECTION (1)(b)(I) of this section as a 21 CONDITION FOR ISSUANCE OF A CERTIFICATE OF TITLE FOR A VEHICLE IF: 22 (A) THE APPLICANT FOR A CERTIFICATE OF TITLE FOR THE VEHICLE 23 PRESENTS EITHER A COPY OF A MANUFACTURER'S CERTIFICATE OF ORIGIN 24 OR A PURCHASE RECEIPT FROM THE DEALER OR THE OUT-OF-STATE SELLER 25 FROM WHOM THE APPLICANT PURCHASED THE VEHICLE THAT INDICATE 26 THAT THE APPLICANT PURCHASED THE VEHICLE AS NEW; OR

27 (B) At the time of application, the vehicle is currently

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1 TITLED IN ANOTHER COUNTY OF THE STATE.

2 SECTION 3. In Colorado Revised Statutes, 42-6-119, amend (4)
3 as follows:

4 42-6-119. Certificates for vehicles registered in other states. 5 (4) (a) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (4)(b) OF THIS 6 SECTION, if the purchaser of the vehicle completes and includes the 7 vehicle identification number inspection form as part of the application 8 for filing of a Colorado certificate of title to the vehicle and accompanies 9 the application with the affidavit required by subsection (3) of this section 10 and the duly endorsed or assigned certificate of title from a state other 11 than Colorado, a Colorado certificate of title may be filed in the same 12 manner as upon the sale or transfer of a motor or off-highway vehicle for 13 which a Colorado certificate of title has been issued or filed. Upon the 14 filing by the director or the authorized agent of the certificate of title, the 15 director or the authorized agent may dispose of the certificate of title and 16 shall record the certificate of title as provided in section 42-6-124.

17 (b) IF AN APPLICANT FOR THE FILING OF A COLORADO CERTIFICATE 18 OF TITLE FOR A VEHICLE FOR WHICH ANOTHER STATE HAS ISSUED A 19 CERTIFICATE OF TITLE PRESENTS EITHER A COPY OF A MANUFACTURER'S 20 CERTIFICATE OF ORIGIN OR A PURCHASE RECEIPT FROM THE DEALER OR 21 THE OUT-OF-STATE SELLER FROM WHOM THE APPLICANT PURCHASED THE 22 VEHICLE THAT INDICATE THAT THE APPLICANT PURCHASED THE VEHICLE 23 AS NEW, THE APPLICANT IS NOT REQUIRED TO COMPLETE AND INCLUDE A 24 VEHICLE IDENTIFICATION NUMBER INSPECTION FORM AS PART OF THE 25 APPLICATION.

SECTION 4. Applicability. This act applies to applications for
 registration or titling of a vehicle that are filed on or after July 1, 2017.

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SECTION 5. Safety clause. The general assembly hereby finds,
 determines, and declares that this act is necessary for the immediate
 preservation of the public peace, health, and safety.