

CHAPTER 343

MOTOR VEHICLES AND TRAFFIC REGULATION

SENATE BILL 00-015

BY SENATORS Powers, Musgrave, Dyer, and Nichol;
also REPRESENTATIVES Swenson, Gotlieb, S. Williams, Coleman, Hoppe, Mace, Taylor, and Vigil.

AN ACT

CONCERNING ELECTRONIC CERTIFICATES OF TITLE FOR MOTOR VEHICLES BY COUNTY CLERKS, AND
MAKING AN APPROPRIATION IN CONNECTION THEREWITH.

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

SECTION 1. 42-6-102, Colorado Revised Statutes, is amended BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS to read:

42-6-102. Definitions. As used in this part 1, unless the context otherwise requires:

(4.2) "ELECTRONIC RECORD" HAS THE SAME MEANING AS DEFINED IN SECTION 24-71.1-103 (3), C.R.S., AND SHALL HAVE THE SAME EFFECT AS SET FORTH IN SECTION 24-71.1-105, C.R.S.

(4.4) "FILE" MEANS THE CREATION OF OR ADDITION TO AN ELECTRONIC RECORD MAINTAINED FOR A CERTIFICATE OF TITLE BY THE DIRECTOR OR AN AUTHORIZED AGENT OF THE DIRECTOR, AS DEFINED IN SECTION 42-6-105.

(10.5) "RECORD" HAS THE SAME MEANING AS DEFINED IN SECTION 24-71.1-103 (9), C.R.S.

(13.5) "SIGNATURE" MEANS EITHER A WRITTEN SIGNATURE OR AN ELECTRONIC SIGNATURE AS DESCRIBED IN SECTION 24-71.1-106, C.R.S.

SECTION 2. 42-6-106 (1) (a) and (1) (b), Colorado Revised Statutes, are amended to read:

42-6-106. Certificates of registration - plates. (1) No certificate of the

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

registration of any motor vehicle, required by law, or license plates therefor shall be issued by the director or any of the director's authorized agents except in the following cases:

(a) The applicant therefor has procured and exhibits to the director or the director's authorized agent, OR THE DIRECTOR OR THE DIRECTOR'S AUTHORIZED AGENT HAS ON FILE, an official Colorado certificate of title for such vehicle, issued pursuant to the provisions of this part 1, or to a law in force and effect in this state prior to August 1, 1949, in which it appears that the applicant is the owner of the vehicle sought to be registered and licensed.

(b) The applicant submits evidence to the director or the director's authorized agent ~~which~~ THAT satisfies such officer or agent that an official Colorado certificate of title to such motor vehicle has been issued OR IS ON FILE pursuant to the provisions of this part 1 or to a law in force and effect prior to August 1, 1949, from which it appears that the applicant is the owner of the vehicle sought to be registered and licensed. ANY EVIDENCE SUBMITTED TO THE DIRECTOR OR THE DIRECTOR'S AUTHORIZED AGENT MAY BE MAINTAINED IN A PAPER OR ELECTRONIC VERSION.

SECTION 3. 42-6-107 (1) (a) and (2), Colorado Revised Statutes, are amended to read:

42-6-107. Certificates of title - contents. (1) (a) All certificates of title to motor vehicles issued under the provisions of this part 1 shall be ~~subscribed by the director or other authorized officer or employee, to which shall be affixed the seal of the department. Such certificate shall be mailed to the applicant, except as provided in section 42-6-124, and information of the facts therein appearing and concerning the issuance thereof shall be retained by the director and appropriately indexed and filed in the director's office. The certificate shall be in such form as the director may prescribe and shall contain;~~ SUCH CERTIFICATES MAY BE ELECTRONIC RECORDS PURSUANT TO RULES ADOPTED BY THE DIRECTOR AND, in addition to other information ~~which~~ THAT the director may by rule ~~or regulation~~ from time to time require SHALL CONTAIN the make and model of the motor vehicle for which ~~said~~ THE certificate is issued, ~~the date on which said vehicle therein described was first sold by the manufacturer or dealer to the initial user thereof~~ OR THE RECORD IS CREATED, where such information is available, together with the motor and serial number ~~thereof~~ OF THE VEHICLE, if any, and a description of such other marks or symbols as may be placed upon the vehicle by the VEHICLE manufacturer ~~thereof~~ for identification purposes.

(2) The ELECTRONIC RECORD OF THE certificate OR THE PAPER VERSION OF THE CERTIFICATE shall also have noted, ~~thereon~~, in a place to be provided therefor, a description of every lien and encumbrance to which the motor vehicle is subject, as appears in the application for the certificate of title or as is noted and shown to be unreleased upon any certificate of title issued after August 1, 1949, for such vehicle, including the date of such lien or encumbrance, the original amount secured ~~thereby~~ BY THE VEHICLE, the person named as lienee or encumbrancee ~~therein~~ IN THE LIEN OR ENCUMBRANCE, and the county in which the ~~same~~ LIEN OR ENCUMBRANCE appears of record, if it is of public record. The certificates AND ELECTRONIC RECORDS shall be numbered consecutively by counties, beginning with number one. The certificate of title FILED WITH THE DIRECTOR'S AUTHORIZED AGENT shall be prima facie evidence

of all of the matters ~~therein~~ contained IN THE RECORD and that the person in whose name said certificate is registered is the lawful owner of the vehicle ~~therein~~ described IN THE RECORD. Except as provided in section 42-6-118, said certificate shall remain in force and effect from and after the ~~issuance~~ FILING thereof until such time as the vehicle ~~therein~~ described IN THE RECORD is sold or the title ~~thereto~~ TO THE VEHICLE IS otherwise transferred.

SECTION 4. 42-6-109, Colorado Revised Statutes, is amended to read:

42-6-109. Sale or transfer of vehicle. (1) Except as provided in section 42-6-113, no person shall sell or otherwise transfer a motor vehicle to a purchaser or transferee without delivering to such purchaser or transferee ~~the~~ A certificate of title to such vehicle, WHICH CERTIFICATE MAY BE ELECTRONIC, duly transferred in the manner prescribed in section 42-6-110, and no purchaser or transferee shall acquire any right, title, or interest in and to a motor vehicle purchased by such purchaser or transferee unless and until he or she obtains from the transferor the certificate of title thereto, duly transferred to him or to her in accordance with the provisions of this part 1. A LIENHOLDER MAY REQUEST EITHER A PAPER OR ELECTRONIC VERSION OF A CERTIFICATE OF TITLE.

(2) A PAPER COPY OF A CERTIFICATE OF TITLE SHALL BE NECESSARY FOR ANY TRANSACTION IN WHICH:

(a) EITHER PARTY TO THE TRANSACTION IS LOCATED OUTSIDE COLORADO; OR

(b) THE PURCHASER PAYS FOR ANY MOTOR VEHICLE WITH CASH ONLY.

SECTION 5. 42-6-110 (1), Colorado Revised Statutes, is amended to read:

42-6-110. Certificate of title - transfer. (1) Upon the sale or transfer of a motor vehicle for which a certificate of title has been issued OR FILED, the person in whose name said certificate of title is registered, if such person is other than a dealer, shall, in person or by such person's authorized agent or attorney, execute a formal transfer of the vehicle described in the certificate, which transfer shall be affirmed by a statement signed by the person in whose name said certificate of title is registered or by such person's authorized agent or attorney and shall contain or be accompanied by a written declaration that it is made under the penalties of perjury in the second degree, as defined in section 18-8-503, C.R.S. The purchaser or transferee, within forty-five days thereafter, shall present such certificate, ~~duly transferred~~, together with an application for a new certificate of title to the director or one of the director's authorized agents, accompanied by the fee required in section 42-6-137 to be paid for the ~~issuance~~ FILING of a new certificate of title; whereupon, a new certificate of title shall be ~~issued~~ FILED and disposition thereof made as required in this part 1.

SECTION 6. 42-6-111 (1) and (3) (a), Colorado Revised Statutes, are amended to read:

42-6-111. Sale to dealers - certificate need not issue. (1) Upon the sale or transfer to a dealer of a motor vehicle for which a Colorado certificate of title has been issued, formal transfer and ~~delivery~~ FILING of the certificate of title ~~thereto~~ TO THE MOTOR VEHICLE shall be made as in other cases; except that, so long as the

vehicle so sold or transferred remains in the dealer's possession and at the dealer's place of business for sale and for no other purpose, such dealer shall not be required to procure the issuance OR FILING of a new certificate of title thereto as is otherwise required in this part 1.

(3) (a) A wholesale motor vehicle auction dealer who does not buy, sell, or own the motor vehicles transferred at auction shall disclose the identity of the wholesale motor vehicle auction dealer, the date of the auction, and the license number of the auction ~~upon the certificate of title or upon~~ ON a form and in a manner provided by the executive director. A wholesale motor vehicle auction dealer does not become an owner by reason of such disclosure nor as a result solely of the guarantee of title, guarantee of payment, or reservation of a security interest.

SECTION 7. 42-6-113, Colorado Revised Statutes, is amended to read:

42-6-113. New vehicles - bill of sale - certificate of title. Upon the sale or transfer by a dealer of a new motor vehicle, such dealer shall, upon the delivery thereof, make, execute, and deliver unto the purchaser or transferee a good and sufficient bill of sale therefor, together with the manufacturer's certificate of origin. Said bill of sale shall be affirmed by a statement signed by such dealer, shall contain or be accompanied by a written declaration that it is made under the penalties of perjury in the second degree, as defined in section 18-8-503, C.R.S., shall be in such form as the director may prescribe, and shall contain, in addition to other information ~~which~~ THAT the director may by rule ~~or regulation~~ from time to time require, the make and model of the motor vehicle so sold or transferred, the identification number placed upon the vehicle by the manufacturer for identification purposes, the manufacturer's suggested retail price, and the date of the sale or transfer thereof, together with a description of any mortgage ~~thereon~~ ON THE VEHICLE given to secure the purchase price or any part thereof. Upon presentation of such a bill of sale to the director or one of the director's authorized agents, a new certificate of title for the vehicle ~~therein~~ described IN THE BILL OF SALE shall be ~~issued~~ FILED and disposition thereof made as in other cases. The transfer of a motor vehicle ~~which~~ THAT has been used by a dealer for the purpose of demonstration to prospective customers, if such motor vehicle is a new vehicle as defined in section 42-6-102 (8), shall be made in accordance with the provisions of this section.

SECTION 8. 42-6-114, Colorado Revised Statutes, is amended to read:

42-6-114. Transfers by bequest, descent, law. Upon the transfer of ownership of a motor vehicle by a bequest contained in the will or a written statement or a list as described in section 15-11-513, C.R.S., of the person in whose name the certificate of title is registered, or upon the descent and distribution upon the death intestate of the owner of such vehicle, or upon the transfer by operation of law, as in proceedings in bankruptcy, insolvency, replevin, attachment, execution, or other judicial sale, or whenever such vehicle is sold to satisfy storage or repair charges or repossession is had upon default in the performance of the terms of any mortgage, the director or ~~an~~ THE DIRECTOR'S authorized agent, upon the surrender of the certificate of title, if the same is available, ~~or~~ upon presentation of such proof of ownership of such vehicle as the director may reasonably require, OR UPON PRESENTATION OF AN APPLICABLE COURT ORDER, and upon presentation of an application for a certificate of title, as required in section 42-6-116, a new certificate of title may ~~issue to~~ BE FILED ON

BEHALF OF the person shown by such evidence to be entitled thereto, and disposition shall be made as in other cases.

SECTION 9. 42-6-115, Colorado Revised Statutes, is amended to read:

42-6-115. Furnishing bond for certificates. (1) In cases where the applicant for a certificate of title to a motor vehicle is unable to provide the director or the director's authorized agent with a certificate of title thereto, duly transferred to such applicant, a bill of sale therefor, or other evidence of the ownership thereof ~~which~~ THAT satisfies the director of the right of the applicant to have a certificate of title ~~issued to~~ FILED ON BEHALF OF the applicant, as provided in section 42-6-107, a certificate of title for such vehicle may nevertheless, be ~~issued~~ FILED by the director OR THE DIRECTOR'S AUTHORIZED AGENT upon the applicant ~~therefor~~ FOR THE CERTIFICATE OF TITLE furnishing the director OR THE DIRECTOR'S AUTHORIZED AGENT with a statement, in such form as the director may prescribe. There shall appear a recital of the facts and circumstances by which the applicant acquired the ownership and possession of such vehicle, the source of the title ~~thereto~~ TO THE VEHICLE, and such other information as the director may require to enable the director OR THE DIRECTOR'S AUTHORIZED AGENT to determine what liens ~~and~~ OR encumbrances are outstanding against such motor vehicle, if any, the date ~~thereof~~ OF THE LIENS OR ENCUMBRANCES, the amount secured ~~thereby~~ BY THE VEHICLE, where said liens or encumbrances are of public record, if they are of public record, and the right of the applicant to have a certificate of title ~~issued to~~ FILED ON BEHALF OF the applicant. The statement shall contain or be accompanied by a written declaration that it is made under the penalties of perjury in the second degree, as defined in section 18-8-503, C.R.S., and shall accompany the formal application for the certificate as required in section 42-6-116. ANY EVIDENCE SUBMITTED TO AND MAINTAINED BY THE DIRECTOR OR THE DIRECTOR'S AUTHORIZED AGENT MAY BE MAINTAINED IN A PAPER OR ELECTRONIC VERSION.

(2) If, from the affidavit of the applicant and such other evidence as may be submitted to the director OR THE DIRECTOR'S AUTHORIZED AGENT, he or she finds that the applicant is the same person to whom a certificate of title for said vehicle has previously been issued OR FILED and to whom a license was issued for the year during which the application for such certificate of title is made and that a certificate of title should be ~~issued to~~ FILED ON BEHALF OF the applicant, such certificate may be ~~issued~~ FILED, in which event disposition ~~thereof~~ OF SUCH CERTIFICATE shall be made as in other cases. No certificate of title shall be ~~issued~~ FILED as provided in this section unless and until the applicant furnishes evidence of a savings account, deposit, or certificate of deposit meeting the requirements of section 11-35-101, C.R.S., or a good and sufficient bond with a corporate surety, to the people of the state, in an amount to be fixed by the director, not less than twice the reasonable value of the vehicle for which the certificate is ~~issued~~ FILED, determined as of the time application for the certificate is made, conditioned that the applicant and the applicant's surety shall hold harmless any person who suffers any loss or damage by reason of the ~~issuance~~ FILING thereof. If any person suffers any loss or damage by reason of the ~~issuance~~ FILING of the certificate of title as provided in this section, such person shall have a right of action against the applicant and the surety on the applicant's bond against either of whom the person damaged may proceed independently of the other.

SECTION 10. 42-6-116, Colorado Revised Statutes, is amended to read:

42-6-116. Applications for filing of certificates of title. In any case under the provisions of this part 1 wherein a person who desires or who is entitled to a FILING OF A certificate of title to a motor vehicle is required to make formal application to the director OR THE DIRECTOR'S AUTHORIZED AGENT therefor, such applicant shall make application upon a form provided by the director in which appears a description of the motor vehicle including the make and model, ~~thereof~~, the manufacturer's number, ~~the motor number~~, the date on which said motor vehicle was first sold by the dealer or manufacturer ~~thereof~~ OF THE MOTOR VEHICLE to the initial user ~~thereof~~ OF THE MOTOR VEHICLE, and a description of any other distinguishing mark, number, or symbol placed on said vehicle by the VEHICLE manufacturer ~~thereof~~ for identification purposes, as may by rule ~~or regulation~~ be required by the director. Such application shall also show the name and correct address of the owner determined pursuant to section 42-6-139 and the applicant's source of title and shall include a description of all known mortgages and liens upon said motor vehicle, each including the name of the legal holder thereof, the amount originally secured, the amount outstanding on the obligation secured at the time such application is made, and the name of the county, city ~~or~~ AND county, and state in which such mortgage or lien instrument is recorded or filed. Such application shall be verified by a statement signed by the applicant and shall contain or be accompanied by a written declaration that it is made under the penalties of perjury in the second degree, as defined in section 18-8-503, C.R.S.

SECTION 11. 42-6-117, Colorado Revised Statutes, is amended to read:

42-6-117. Filing of certificate. (1) The director OR THE DIRECTOR'S AUTHORIZED AGENT shall use reasonable diligence in ascertaining whether the facts stated in any application and the facts contained in other documents submitted to the director OR THE DIRECTOR'S AUTHORIZED AGENT with said application are true and, in appropriate cases, may require the applicant to furnish other and additional information regarding ownership of the vehicle and the right to have ~~issued to~~ FILED ON BEHALF OF the applicant a certificate of title ~~therefor~~ FOR THE VEHICLE. The director OR THE DIRECTOR'S AUTHORIZED AGENT may refuse to ~~issue~~ FILE a certificate of title to such vehicle if from an investigation the director OR THE DIRECTOR'S AUTHORIZED AGENT determines that the applicant is not entitled thereto.

(2) No certificate of title may be ~~issued~~ FILED for a vehicle required to have its vehicle identification number inspected pursuant to section 42-5-202 unless a vehicle identification number inspection form has been transmitted to the director OR THE DIRECTOR'S AUTHORIZED AGENT showing the number recorded from the vehicle or the number assigned to the vehicle pursuant to section 42-5-205.

(3) AT THE REQUEST OF THE TITLE OWNER, LIENHOLDER, OR MORTGAGEE, A PAPER COPY OF A FILED CERTIFICATE OF TITLE MAY BE ISSUED BY THE DIRECTOR OR THE DIRECTOR'S AUTHORIZED AGENT.

SECTION 12. 42-6-118, Colorado Revised Statutes, is amended to read:

42-6-118. Amended certificate. If the owner of any motor vehicle for which a Colorado certificate of title has been issued OR FILED replaces any part of said motor vehicle on which appears the identification number or symbol described in the certificate of title and by which said vehicle is known and identified, by reason whereof such identification number or symbol no longer appears ~~thereon~~ ON THE

MOTOR VEHICLE, or incorporates the part containing the identification number or symbol into a motor vehicle other than the motor vehicle for which the original certificate of title was issued OR FILED, immediately thereafter, such owner shall make application to the director or one of the director's authorized agents for an assigned identification number and an amended FILING OF A certificate of title to such vehicle.

SECTION 13. 42-6-119 (1), (2), and (4), Colorado Revised Statutes, are amended to read:

42-6-119. Certificates for vehicles registered in other states. (1) Whenever any resident of the state acquires the ownership of any motor vehicle by purchase, gift, or otherwise, for which a certificate of title has been issued under the laws of a state other than the state of Colorado, the person so acquiring such vehicle upon acquiring the same shall make application to the director or the director's authorized agent for THE FILING OF a certificate of title as in other cases.

(2) If any dealer acquires the ownership by any lawful means whatsoever of a motor vehicle, the title to which is registered under the laws of and in a state other than the state of Colorado, such dealer shall not be required to ~~procure~~ FILE a Colorado certificate of title therefor so long as such vehicle remains in the dealer's possession and at the dealer's place of business for sale and for no other purpose.

(4) If the purchaser or transferee of said vehicle completes and includes the vehicle identification number inspection form as part of the application for FILING OF a Colorado certificate of title to such vehicle and accompanies the application with the affidavit required by subsection (3) of this section and the duly endorsed or assigned certificate of title from a state other than Colorado, a Colorado certificate of title therefor may ~~issue~~ BE FILED in the same manner as upon the sale or transfer of a motor vehicle for which a Colorado certificate of title has been issued OR FILED. Upon the ~~issuance~~ FILING by the director OR THE DIRECTOR'S AUTHORIZED AGENT of such certificate of title, the director ~~shall~~ OR THE DIRECTOR'S AUTHORIZED AGENT MAY dispose of ~~the same~~ SUCH CERTIFICATE OF TITLE, AND SAID CERTIFICATE OF TITLE SHALL BE RECORDED as provided in section 42-6-124.

SECTION 14. 42-6-120 (1), Colorado Revised Statutes, is amended to read:

42-6-120. Security interests upon motor vehicles. (1) Except as provided in this section, the provisions of the "Uniform Commercial Code", title 4, C.R.S., relating to the filing, recording, releasing, renewal, and extension of chattel mortgages, as the term is defined in section 42-6-102 (6), shall not be applicable to motor vehicles. Any mortgage OR REFINANCING OF A MORTGAGE intended by the parties ~~thereto~~ TO THE MORTGAGE OR REFINANCING to encumber or create a lien on a motor vehicle, to be effective as a valid lien against the rights of third persons, purchasers for value without notice, mortgagees, or creditors of the owner, shall be filed for public record and the fact ~~thereof~~ OF FILING noted on the owner's certificate of title or bill of sale substantially in the manner provided in section 42-6-121; and the filing of such mortgage with the DIRECTOR'S authorized agent and the notation by the agent of that fact ~~on~~ IN THE FILING OF the certificate of title or bill of sale substantially in the manner provided in section 42-6-121 shall constitute notice to the world of each and every right of the person secured by such mortgage.

SECTION 15. 42-6-121, Colorado Revised Statutes, is amended to read:

42-6-121. Filing of mortgage. The holder of any chattel mortgage on a motor vehicle desiring to secure the rights provided for in this part 1 and to have the existence of the mortgage and the fact of the filing ~~thereof~~ OF THE MORTGAGE for public record noted ~~on~~ IN THE FILING of the certificate of title to the ENCUMBERED motor vehicle ~~thereby encumbered~~ shall present the signed original or signed duplicate original of said mortgage or copy thereof certified by the holder of the mortgage or the holder's agent to be a true copy of the signed original mortgage and the certificate of title OR APPLICATION FOR CERTIFICATE OF TITLE to the motor vehicle encumbered to the authorized agent of the director in the county or city and county in which the mortgagor of such motor vehicle resides or where the property is located. THE FILINGS MAY BE EITHER WITH PAPER DOCUMENTS OR ELECTRONICALLY. SAID MORTGAGE OR REFINANCING OF A MORTGAGE SHALL STATE THE NAME AND ADDRESS OF THE DEBTOR, THE NAME OF THE SECURED PARTY OR NAME OF THE SECURED PARTY'S ASSIGNEE, A COMPLETE DESCRIPTION OF THE VEHICLE, INCLUDING VEHICLE IDENTIFICATION NUMBER AND COLOR, AND THE AMOUNT OF THE MORTGAGE. Upon the receipt of said ELECTRONIC OR original or duplicate mortgage or certified copy thereof and certificate of title OR APPLICATION FOR CERTIFICATE OF TITLE, the authorized agent, if satisfied that the vehicle described in the mortgage is the same as that described in the certificate of title OR FILED TITLE, shall ~~make and subscribe a certificate to be attached or stamped on the mortgage and on the certificate of title,~~ FILE WITHIN THE DIRECTOR'S AUTHORIZED AGENT'S MOTOR VEHICLE DATABASE NOTICE OF SUCH MORTGAGE OR LIEN in which shall appear the day and hour on which said mortgage was received for filing, the name and address of the mortgagee ~~therein~~ named and the name and address of the holder of such mortgage, if such person is other than the mortgagee named, the amount secured ~~thereby~~ BY THE VEHICLE, the date ~~thereof~~ OF THE MORTGAGE, the day and year on which said mortgage was filed for public record, and such other information regarding the filing ~~thereof~~ OF THE MORTGAGE in the office of the DIRECTOR'S authorized agent as may be required by the director by rule. ~~or regulation, to which certificate the authorized agent shall affix the agent's signature and the seal of such agent's office.~~ THE DIRECTOR'S AUTHORIZED AGENT SHALL ELECTRONICALLY TRANSMIT, WHEN THE DIRECTOR'S AUTHORIZED AGENT USES AN ELECTRONIC FILING SYSTEM, THE CERTIFICATE OF TITLE, APPLICATION FOR CERTIFICATE OF TITLE, AND MORTGAGE INFORMATION TO THE DATABASE OF THE DIRECTOR FOR MAINTENANCE OF A CENTRAL REGISTRY OF MOTOR VEHICLE TITLE INFORMATION PURSUANT TO SECTION 42-6-147. A mortgage is deemed to be a signed original or a signed duplicate original if the signature appearing ~~thereon~~ ON A CERTIFICATE OF TITLE OR APPLICATION FOR CERTIFICATE OF TITLE was affixed personally by the mortgagor or the mortgagor's attorney-in-fact, in ink, IN carbon, or by any other means. For purposes of liens created pursuant to section 14-10-122 (1.5), C.R.S., the lien shall contain the information set forth in this section as well as any such additional information required in section 14-10-122 (1.5) (f), C.R.S.

SECTION 16. The introductory portion to 42-6-122 (1), Colorado Revised Statutes, is amended to read:

42-6-122. Disposition of mortgages by agent. (1) The authorized agent, upon receipt of the mortgage, shall file the ~~same~~ MORTGAGE in the agent's office. ~~separately and apart from records affecting real property and personal property, other than motor vehicles, which the agent may by law be required to keep.~~ Such mortgage shall be

appropriately indexed and cross-indexed:

SECTION 17. 42-6-123, Colorado Revised Statutes, is amended to read:

42-6-123. Disposition after mortgaging. ~~Within forty-eight hours~~ After a mortgage on a motor vehicle has been filed in the AUTHORIZED agent's office, the authorized agent shall mail OR ELECTRONICALLY TRANSFER to the director the certificate of title or bill of sale on which the AUTHORIZED agent has affixed his or her FILED IN THE RECORD. ~~certificate respecting the filing of such mortgage.~~ Upon the receipt thereof, the director shall ~~note, on records to be kept and maintained by the director in his or her office, the fact of the existence of the mortgage on such motor vehicle and other information respecting the date thereof, the date of filing, the amount secured by the lien thereof, the name and address of the mortgagee and of the holder of the mortgage, if such person is other than the mortgagee, and such other information relating thereto as appears in the certificate of the authorized agent affixed to the certificate of title or bill of sale~~ MAINTAIN COMPLETED ELECTRONIC RECORDS TRANSFERRED BY THE AUTHORIZED AGENT. The director shall issue a new certificate of title containing, in addition to the other matters and things required to be set forth in certificates of title, a description of the mortgage and all information respecting said mortgage and the filing thereof as may appear in the certificate of the authorized agent, and the director OR THE DIRECTOR'S AUTHORIZED AGENT shall thereafter dispose of said new certificate of title containing said notation as provided in section 42-6-124.

SECTION 18. 42-6-124, Colorado Revised Statutes, is amended to read:

42-6-124. Disposition of certificates of title. (1) All certificates of title issued by the director OR THE DIRECTOR'S AUTHORIZED AGENT shall be disposed of by the director in the following manner:

(a) IF THE CERTIFICATE OF TITLE THAT IS FILED BY THE DIRECTOR'S AUTHORIZED AGENT IS MAINTAINED IN AN ELECTRONIC FORMAT WITHIN THE DIRECTOR'S AND THE DIRECTOR'S AUTHORIZED AGENT'S MOTOR VEHICLE DATABASES AS REQUIRED BY THE STANDARDS ESTABLISHED PURSUANT TO ARTICLE 71.1 OF TITLE 24, C.R.S., THE CERTIFICATE OF TITLE SHALL BE DISPOSED OF IN ACCORDANCE WITH PARAGRAPHS (b) AND (c) OF THIS SUBSECTION (1).

~~(a)~~ (b) If it appears from the records in the director's OR THE DIRECTOR'S AUTHORIZED AGENT'S office and from an examination of the certificate of title that the motor vehicle therein described is not subject to a mortgage filed subsequent to August 1, 1949, or if such vehicle is encumbered by a mortgage filed in any county of a state other than the state of Colorado, the certificate of title shall be delivered to the person who therein appears to be the owner of the vehicle described, or such certificate shall be mailed to the owner thereof at his or her address as the same may appear in the application, the certificate of title, or other records in the director's OR THE DIRECTOR'S AUTHORIZED AGENT'S office.

~~(b)~~ (c) If it appears from the records in the office of the director OR THE DIRECTOR'S AUTHORIZED AGENT and from the certificate of title that the motor vehicle therein described is subject to one or more mortgages filed subsequent to August 1, 1949, the director OR THE DIRECTOR'S AUTHORIZED AGENT shall ELECTRONICALLY

MAINTAIN OR deliver the certificate of title issued by the director to the mortgagee named therein or the holder thereof whose mortgage was first filed in the office of an authorized agent. ~~or shall mail the same to such mortgagee or holder at his or her address as the same appears in the certificate of title to said vehicle.~~

SECTION 19. The introductory portion to 42-6-125 (1), Colorado Revised Statutes, is amended, and the said 42-6-125 (1) is further amended BY THE ADDITION OF A NEW PARAGRAPH, to read:

42-6-125. Release of mortgages. (1) Upon the payment or discharge of the undertaking secured by any mortgage on a motor vehicle which has been filed for record ~~and noted on the certificate of title~~ in the manner prescribed in section 42-6-121, the legal holder thereof, ~~in a place to be provided therefor~~ ON A FORM APPROVED BY THE DIRECTOR, shall make and execute such ~~notation~~ NOTICE of the discharge of the obligation and release of the mortgage securing the ~~same~~ OBLIGATION and set forth ~~therein~~ IN THE NOTICE such facts concerning the right of the holder to so release said mortgage as the director by appropriate rule ~~or regulation~~ from time to time may require, which satisfaction and release shall be affirmed by a statement signed by the legal ~~holder of~~ LIENHOLDER NOTED IN the certificate of title ON FILE WITH THE DIRECTOR OR THE DIRECTOR'S AUTHORIZED AGENT and which shall contain or be accompanied by a written declaration that it is made under the penalties of perjury in the second degree, as defined in section 18-8-503, C.R.S. Thereupon, the holder of the mortgage so released shall dispose of the certificate of title as follows:

(c) THE DIRECTOR'S AUTHORIZED AGENT SHALL NOTE IN THE ELECTRONIC RECORD OF THE LIEN SUCH SATISFACTION OR RELEASE OF SUCH LIEN OR MORTGAGE AND SHALL FILE SUCH SATISFACTION OR RELEASE OF SUCH LIEN AS REQUIRED IN SECTION 42-6-122.

SECTION 20. 42-6-126, Colorado Revised Statutes, is amended to read:

42-6-126. New certificate upon release of mortgage. (1) Upon the release of any mortgage on a motor vehicle filed for record in the manner prescribed in section 42-6-121, the owner of the vehicle encumbered by such mortgage, the purchaser from or transferee of the owner thereof as appears on the certificate of title, or the holder of any mortgage the lien of which was junior to the lien of the mortgage released, whichever the case may be, upon the receipt of the certificate of title, as provided in section 42-6-125, shall deliver the same to the authorized agent who shall transmit the same to the director as in other cases. Upon the receipt by the director of the certificate of title bearing thereon the release and satisfaction of mortgage referred to in section 42-6-125, the director shall make such notation on the records in the director's office as shall show the release of the lien of such mortgage, shall issue a new certificate of title to the motor vehicle therein described, omitting therefrom all reference to the mortgage so released, and shall dispose of the new certificate of title in the manner prescribed in other cases UNLESS DIRECTED OTHERWISE.

(2) FOR CERTIFICATES OF TITLE THAT ARE MAINTAINED IN AN ELECTRONIC FORMAT, ANY RELEASE OF LIEN, MORTGAGE, OR ENCUMBRANCE SHALL BE FILED PRIOR TO THE ISSUANCE OF A NEW CERTIFICATE OF TITLE. IN THE EVENT THE HOLDER OF THE LIEN, MORTGAGE, OR OTHER ENCUMBRANCE HAS FILED BANKRUPTCY OR IS NO LONGER IN

BUSINESS, THE PERSON SEEKING ISSUANCE OF A NEW CERTIFICATE OF TITLE REFLECTING THE RELEASE OF THE LIEN, MORTGAGE, OR OTHER ENCUMBRANCE, WHICH HAS BEEN MAINTAINED ELECTRONICALLY, SHALL EITHER POST A BOND WITH THE DIRECTOR IN A REASONABLE AMOUNT DETERMINED BY THE DIRECTOR OR SHALL WAIT UNTIL THE PERIOD OF THE LIEN, MORTGAGE, OR OTHER ENCUMBRANCE EXPIRES.

SECTION 21. 42-6-127 (1) and (2), Colorado Revised Statutes, are amended to read:

42-6-127. Duration of lien of mortgage - extensions. (1) The lien of any mortgage OR REFINANCING OF A MORTGAGE filed ~~for record and noted on the certificate of title to a motor vehicle~~ in the manner prescribed in section 42-6-121 OR 42-6-129 shall remain valid and enforceable ~~and a lien on the vehicle covered thereby~~ for a period of eight years from and after the filing ~~thereof~~ OF THE CERTIFICATE in the office of the DIRECTOR'S authorized agent or until the discharge of the ~~undertaking secured thereby~~ MORTGAGE ON THE VEHICLE, if ~~that~~ THE DISCHARGE occurs sooner, ~~and not thereafter~~, except in the case of trailer coaches, truck tractors, and motor homes, which are subject to the provisions of subsection (3) of this section. During the eight-year period or any extension ~~thereof~~ OF SUCH PERIOD, the lien of the mortgage may be extended for successive three-year periods upon the holder ~~thereof~~ OF THE MORTGAGE presenting ~~the certificate of title, on which the existence of the mortgage has been noted~~, to the DIRECTOR'S authorized agent of the county wherein said mortgage is filed ~~together with a written request for an extension of the mortgage~~ OR IN THE COUNTY WHERE THE OWNER RESIDES, A CERTIFICATION OF EXTENSION OF CHATTEL MORTGAGE, subscribed by the holder ~~thereof~~ OF THE MORTGAGE and acknowledged by the holder before an officer authorized to acknowledge deeds to real property, in which shall appear a description of the ~~undertaking secured~~ MORTGAGE ON THE VEHICLE, to what extent it has been discharged or remains unperformed, and such other information respecting the ~~same~~ MORTGAGE as may be required by appropriate rule ~~or regulation~~ of the director to enable the ~~director~~ DIRECTOR'S AUTHORIZED AGENT to properly record such extension upon his or her records.

(2) Upon receipt ~~thereof~~ OF A MORTGAGE EXTENSION, the DIRECTOR'S authorized agent ~~shall note on the face of the mortgage on file in the agent's office the fact of the extension thereof~~, shall make and complete such ELECTRONIC record of such extension as the director by rule ~~or regulation~~ may require WITHIN THE DIRECTOR'S OR THE DIRECTOR'S AUTHORIZED AGENT'S MOTOR VEHICLE DATABASE, and shall ~~thereafter forward said certificate of title, together with the written request for extension of mortgage received by the agent, to the director. Upon receipt thereof, the director shall note the fact of the extension of the mortgage on the director's records and on the certificate of title, WHICH MAY BE FILED ELECTRONICALLY.~~ Thereafter the certificate of title shall be returned to the person shown ~~thereon~~ ON THE CERTIFICATE to be entitled ~~thereto~~ TO THE CERTIFICATE, the same as in other cases. If any mortgage other than one on a trailer coach, truck tractor, or motor home, which has been filed for record and noted on the certificate of title has not been released or extended within eight years after the date on which such mortgage was filed in the office of the DIRECTOR'S authorized agent, the person shown by the records in the director's office to be the owner of the motor vehicle described in said certificate of title, upon making an appropriate application therefor, may ~~have a duplicate certificate of title issued to such person, the same and with like effect as in the case of the issuance of a duplicate certificate of title upon the loss or destruction of the~~

~~original. Upon the issuance of such duplicate certificate of title, the director~~ REQUEST THAT ANY REFERENCES TO THE MORTGAGES SHOWN ON THE RECORDS OF THE DIRECTOR'S AUTHORIZED AGENT BE REMOVED BY THE AUTHORIZED AGENT. THE DIRECTOR'S AUTHORIZED AGENT shall ~~omit therefrom~~ REMOVE all reference to mortgages shown ~~by~~ IN the director's AUTHORIZED AGENT'S records to have been of record in the office of the authorized agent for more than eight years, which mortgages have been neither released nor extended as provided in this section.

SECTION 22. 42-6-129 (1), (2), and (3), Colorado Revised Statutes, are amended to read:

42-6-129. Second or other junior mortgages. (1) On and after July 1, 1977, any person who takes a second or other junior mortgage on a motor vehicle for which a Colorado certificate of title has been issued OR FILED may file said mortgage for public record and have the existence thereof noted OR FILED on the certificate of title with like effect as in other cases, in the manner prescribed in this section.

(2) Such second or junior mortgagee or the holder thereof shall file said mortgage PURSUANT TO THE REQUIREMENTS OF SECTION 42-6-121 with the DIRECTOR'S authorized agent of the county wherein the mortgagor of said motor vehicle resides or where the motor vehicle is located and shall accompany said mortgage with a written request to have the existence thereof noted OR FILED on the certificate of title RECORDS OF THE DIRECTOR'S AUTHORIZED AGENT PERTAINING to the motor vehicle covered ~~thereby, subscribed by such mortgagee or holder, in which shall appear the names and addresses of the holders of all outstanding mortgages against the vehicle described in said second or junior mortgage and the name and address of the person in possession of the certificate of title thereto~~ BY THE JUNIOR OR SECOND MORTGAGE. Upon the filing of such mortgage, the DIRECTOR'S authorized agent shall note ~~thereon~~ IN THE RECORD OF THE SUBJECT VEHICLE the day and hour on which such mortgage was received by the agent and shall make and deliver a receipt ~~therefor~~ FOR THE MORTGAGE to the person filing the ~~same~~ MORTGAGE, AND SHALL FILE THE SECOND OR JUNIOR MORTGAGE AS REQUIRED UNDER SECTION 42-6-122.

(3) The DIRECTOR'S authorized agent, by registered mail, return receipt requested, shall make a written demand on the holder of the certificate of title, addressed to such person at the person's address as the same may appear in said written request, that such certificate be delivered to the authorized agent for the purpose of having noted ~~thereon~~ ON THE CERTIFICATE such second or junior mortgage. Within fifteen days after the receipt of such demand, the person holding such certificate shall either mail or deliver the same to such DIRECTOR'S authorized agent or, if the person no longer has possession ~~thereof~~ OF THE CERTIFICATE, shall so notify the agent and, if the person knows, shall likewise inform the agent where and from whom such certificate may be procured. Upon the receipt of such certificate, the DIRECTOR'S authorized agent shall complete an application for a new title and record the number thereof on the mortgage, as in the case of a first mortgage, and shall, ~~thereafter transmit the current certificate of title and application for a new certificate of title to the director. Upon the receipt thereof, the director,~~ as in the case of a first mortgage, shall issue AND FILE a new certificate of title on which RECORD the existence of all mortgages on the motor vehicle, including such second or junior mortgage, have been noted. ~~which certificate the director shall dispose of as in other cases.~~

SECTION 23. 42-6-130, Colorado Revised Statutes, is amended to read:

42-6-130. Priority of mortgages. The liens of mortgages filed for record ~~and~~ OR noted on a certificate of title to a motor vehicle, as provided in section 42-6-121, shall take priority in the same order that the mortgages creating such liens were filed in the office of the DIRECTOR'S authorized agent.

SECTION 24. 42-6-133, Colorado Revised Statutes, is amended to read:

42-6-133. Foreign mortgages. No mortgage on a motor vehicle filed for record in any state other than the state of Colorado shall be valid and enforceable against the rights of subsequent purchasers for value, creditors, or mortgagees having no actual notice of the existence ~~thereof~~ OF SAID MORTGAGE. If the certificate of title for such vehicle, whether issued under the laws of this state or any other state, bears ~~thereon~~ any notation adequate to apprise a purchaser, creditor, or mortgagee of the existence of such mortgage at the time any third party acquires a right in the motor vehicle covered ~~thereby~~ BY SUCH MORTGAGE, such mortgage and the rights of the holder ~~thereof~~ OF THE MORTGAGE shall be enforceable in this state the same and with like effect as though such mortgage were filed in the state of Colorado and noted on the certificate of title OR NOTED IN THE RECORD OF THE DIRECTOR'S AUTHORIZED AGENT PERTAINING TO THAT VEHICLE in the manner prescribed in section 42-6-121.

SECTION 25. 42-6-134, Colorado Revised Statutes, is amended to read:

42-6-134. Where application for certificates of title made. Except as otherwise provided in this part 1, all applications for RECORDING OF certificates of title upon the sale or transfer of any motor vehicle described ~~therein~~ IN THE CERTIFICATE OF TITLE shall be directed to ~~the director~~ and filed with the DIRECTOR'S authorized agent of the county or city and county in which such vehicle ~~upon the issuance of the title therefor,~~ will be registered and licensed for operation upon the highways of this state.

SECTION 26. 42-6-135, Colorado Revised Statutes, is amended to read:

42-6-135. Lost certificates of title. (1) ~~Upon the loss in the mails~~ IN THE EVENT OF ANY LOSS OF DATA TRANSMISSION of any APPLICATION FOR A certificate of title to a motor vehicle and accompanying papers ~~which~~ OR FILES THAT may be sent OR TRANSMITTED by ~~an~~ THE DIRECTOR'S authorized agent to the director and upon an appropriate application of the owner or other person entitled to such certificate of title directed to the DIRECTOR'S authorized agent therefor, such certificate of title may be reissued OR RECORDED bearing such notations respecting existing mortgages on the vehicle therein described as the records of the DIRECTOR'S authorized agent and of the director may indicate are unreleased and constitute an encumbrance upon the vehicle, which certificate of title shall be issued without charge.

(2) If the ~~holder~~ TITLE OWNER, LIENHOLDER, OR MORTGAGEE of any certificate of title loses, misplaces, or accidentally destroys any certificate of title to a motor vehicle which such person holds whether as the holder of a mortgage or as the owner of the vehicle ~~therein~~ described IN THE CERTIFICATE OF TITLE, upon application therefor to the director OR THE DIRECTOR'S AUTHORIZED AGENT, the director OR THE DIRECTOR'S AUTHORIZED AGENT may issue a duplicate COPY OF THE RECORDED certificate of title as in other cases.

(3) Upon the issuance of any ~~duplicate~~ COPY OF THE RECORDED certificate of title as provided in this section, the director OR THE DIRECTOR'S AUTHORIZED AGENT shall note ~~thereon~~ ON THE COPY every mortgage shown to be unreleased and the lien of which is in force and effect as may be disclosed by the records in the director's OR THE DIRECTOR'S AUTHORIZED AGENT'S office and shall dispose of such certificate as in other cases.

SECTION 27. 42-6-136, Colorado Revised Statutes, is amended to read:

42-6-136. Surrender and cancellation of certificate - penalty for violation.

(1) The owner of any motor vehicle for which a Colorado certificate of title has been issued, upon the destruction or dismantling of said motor vehicle, upon its being changed in such manner that it is no longer a motor vehicle, or upon its being sold or otherwise disposed of as salvage, shall surrender the certificate of title ~~thereto~~ TO THE MOTOR VEHICLE to the director OR THE DIRECTOR'S AUTHORIZED AGENT to be canceled OR NOTIFY THE DIRECTOR OR THE DIRECTOR'S AUTHORIZED AGENT ON DIRECTOR APPROVED FORMS INDICATING THE LOSS, DESTRUCTION OR DISMANTLING, OR SALE FOR SALVAGE; and, upon said owner's procuring the consent ~~thereto~~ of the holders of any mortgages noted on OR RECORDED AS PART OF the certificate of title and shown to be unreleased in the office of the director, such certificate shall ~~thereupon~~ be cancelled. Any person who violates any of the provisions of this section commits a class 1 petty offense and ~~upon conviction thereof~~, shall be punished as provided in section 18-1-107, C.R.S.

(2) Upon the sale or transfer of any motor vehicle for which a current Colorado certificate of title has been issued OR FILED, which motor vehicle has become a salvage vehicle as defined in section 42-6-102 (13), the purchaser or transferee shall make application for a salvage certificate of title. The owner of any such motor vehicle may make application for a salvage certificate of title before the sale or transfer of such vehicle. Any owner making application for a salvage certificate of title shall provide the director evidence of ownership ~~which~~ THAT satisfies the director of the right of the applicant to have a salvage certificate of title ~~issued to~~ FILED IN FAVOR OF the owner.

(3) Any owner of a salvage vehicle which has been made roadworthy who makes application for a certificate of title as provided in section 42-6-116 shall include such information regarding the salvage vehicle as the director may require by rule. ~~and regulation:~~ The owner shall provide to the director evidence of ownership which satisfies the director that the applicant is entitled to ~~issuance~~ FILING of a certificate of title. The director OR THE DIRECTOR'S AUTHORIZED AGENT shall place the letter "S" in a conspicuous place ~~on the face of any certificate of title issued~~ IN THE RECORD for a vehicle that is a salvage vehicle that has been made roadworthy. Such letter "S" designation shall become a permanent part of the certificate of title for such vehicle and shall appear on all subsequent certificates of title for such vehicle.

SECTION 28. 42-6-137 (2), (3), and (5), the introductory portion to 42-6-137 (7), and 42-6-137 (7) (c), Colorado Revised Statutes, are amended to read:

42-6-137. Fees. (2) Upon the receipt by the DIRECTOR'S authorized agent of any mortgage for filing under the provisions of section 42-6-121, 42-6-125, OR 42-6-129, the AUTHORIZED agent shall be paid such fees as are prescribed by law for the filing

of like instruments in the office of the county clerk and recorder in the county or city and county wherein such mortgage is filed and shall receive, in addition thereto, a fee of six dollars and fifty cents for the issuance OR RECORDING of the certificate of title and the notation ~~thereon~~ IN THE RECORD OF THE DIRECTOR OR THE AUTHORIZED AGENT of the existence of said mortgage.

(3) Upon application to the DIRECTOR'S authorized agent to have noted OR RECORDED on a certificate of title the extension of any mortgage ~~therein~~ described IN THE CERTIFICATE OF TITLE and noted ~~thereon~~ OR RECORDED ON SAID CERTIFICATE, such authorized agent shall receive a fee of one dollar and fifty cents.

(5) For the issuance of any ~~duplicate~~ COPY OF A RECORDED certificate of title, except as may be otherwise provided in this part 1, the DIRECTOR'S AUTHORIZED agent shall be paid a fee of seven dollars and fifty cents, and, in all cases wherein the department assigns a new identifying number to any motor vehicle, the fee charged for such assignment shall be three dollars and fifty cents.

(7) Using the increases in title issuance fees that became effective on July 1, 1998, ~~an~~ A DIRECTOR'S authorized agent shall, if possible, provide the following RECORDING OF titles on the same day as the date of request by an applicant:

(c) After the department of revenue and the county clerks have reviewed and agreed upon a plan for the issuance OR RECORDING of other titles, but no later than July 1, 2001, any other title issued OR RECORDED by the DIRECTOR OR THE DIRECTOR'S authorized agent. The plan shall take into account the provision of the best service for citizens in the most cost-effective manner, the use of electronic issuance of titles, and consideration of the business plan for issuing titles at county offices.

SECTION 29. 42-6-138 (2) and (3), Colorado Revised Statutes, are amended to read:

42-6-138. Disposition of fees. (2) All fees collected by the DIRECTOR'S authorized agent under the provisions of section 42-6-137 (5) shall be disposed of as follows: For a ~~duplicate~~ COPY OF A RECORDED certificate of title, six dollars and fifty cents shall be retained by the authorized agent and disposition made as provided by law; and one dollar shall be credited to the special purpose account established by section 42-1-211; and, for assignment of a new identifying number to a motor vehicle, two dollars and fifty cents shall be retained by the authorized agent and disposition made as provided by law; and one dollar shall be credited to the special purpose account established by section 42-1-211. All fees collected by the department under the provisions of section 42-6-137 (5) shall be credited to such special purpose account.

(3) All fees paid to the DIRECTOR'S authorized agent under section 42-6-137 (3) or (4) for the extension or release of any mortgage on a motor vehicle filed in the AUTHORIZED agent's office shall be kept and retained by said AUTHORIZED agent to defray the cost ~~thereof~~ OF SUCH EXTENSION OR RELEASE and shall be disposed of by the AUTHORIZED agent as provided by law; except that fees for this service which may be paid to the authorized agent in the city and county of Denver shall, by such agent, be disposed of in the same manner as fees retained by the agent which were paid upon

application being made for a certificate of title.

SECTION 30. Part 1 of article 6 of title 42, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

42-6-147. Central registry - rules. (1) THE DIRECTOR SHALL MAINTAIN A CENTRAL REGISTRY OF ELECTRONIC FILES FOR ALL CERTIFICATES OF TITLE, MORTGAGES, LIENS, RELEASES OF LIENS OR MORTGAGES, AND EXTENSIONS THERETO. THE DIRECTOR'S AUTHORIZED AGENTS SHALL TRANSMIT ALL ELECTRONIC FILING INFORMATION TO THE DIRECTOR FOR MAINTENANCE OF SUCH REGISTRY. THE DIRECTOR SHALL PROMULGATE RULES:

(a) TO DETERMINE WHEN AN ELECTRONIC SIGNATURE IS ACCEPTABLE FOR THE PURPOSES OF FILING CERTIFICATE OF TITLE DOCUMENTS; AND

(b) AS MAY BE NECESSARY FOR THE ADMINISTRATION OF ELECTRONIC FILING OF CERTIFICATES OF TITLE AND ALL RELATED DOCUMENTS.

(2) THE DIRECTOR SHALL DEVELOP A PLAN TO IMPLEMENT ELECTRONIC FILING ON A STATEWIDE BASIS. THE DIRECTOR SHALL ENCOURAGE PARTICIPATION BY THE COUNTIES IN AN ELECTRONIC FILING SYSTEM. THE DIRECTOR SHALL BEGIN THE IMPLEMENTATION OF THE ELECTRONIC FILING SYSTEM NO LATER THAN JULY 1, 2001, AND SHALL COMPLETE THE STATEWIDE IMPLEMENTATION OF ELECTRONIC FILING NO LATER THAN JULY 1, 2006. THE DIRECTOR MAY GRANT AN EXCLUSION FROM PARTICIPATION IN THE ELECTRONIC FILING SYSTEM UPON APPLICATION BY AN INDIVIDUAL COUNTY THAT DEMONSTRATES REASONABLE CAUSE WHY ELECTRONIC FILING WOULD BE BURDENSOME TO THE COUNTY.

SECTION 31. Appropriation. In addition to any other appropriation, there is hereby appropriated, out of any moneys in the distributive data processing fund not otherwise appropriated, to the department of revenue, for the fiscal year beginning July 1, 2000, the sum of two hundred forty-one thousand one hundred ninety-nine dollars (\$241,199) and 1.0 FTE, or so much thereof as may be necessary, for the implementation of this act.

SECTION 32. Effective date. This act shall take effect July 1, 2001.

SECTION 33. 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.

Approved: June 1, 2000