

## CHAPTER 165

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**INSURANCE**

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**SENATE BILL 01-109**

BY SENATOR(S) Hagedorn, Hernandez, Anderson, and Chlouber;  
also REPRESENTATIVE(S) Romanoff, Borodkin, Larson, Mace, Marshall, Stengel, Swenson, Vigil, Weddig, and Williams S.

**AN ACT**

CONCERNING MOTOR VEHICLE INSURANCE, AND, IN CONNECTION THEREWITH, CONTINUING THE MOTORIST INSURANCE IDENTIFICATION DATABASE PROGRAM AND THE "COLORADO AUTO ACCIDENT REPARATIONS ACT", AND MAKING AN APPROPRIATION IN CONNECTION THEREWITH.

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

**SECTION 1.** 42-7-608, Colorado Revised Statutes, is amended to read:

**42-7-608. Review by department of regulatory agencies - repeal.** (1) The department of regulatory agencies shall review the operation and performance of the motorist insurance identification database program pursuant to section 24-34-104, C.R.S., to determine whether the ~~number~~ PROPORTION of uninsured ~~motorist claims~~ MOTORISTS ~~reported by insurers~~ had declined between July 1, ~~1997~~ 2000, and the date of the review and shall submit a report of its findings to the general assembly no later than October 15, ~~1999~~ 2002. The department of regulatory agencies shall make copies of its report available to each member of the general assembly.

(2) This section is repealed, effective July 1, ~~2001~~ 2003.

**SECTION 2.** 42-7-609, Colorado Revised Statutes, is amended to read:

**42-7-609. Repeal of sections.** Sections 42-7-603 to 42-7-609 are repealed, effective July 1, ~~2001~~ 2003, unless the review conducted by the department of regulatory agencies pursuant to section 42-7-608 and reported to the general assembly indicates that the ~~number~~ PROPORTION of uninsured ~~motorist claims~~ MOTORISTS ~~reported by insurers~~ declined between July 1, ~~1997~~ 2000, and the date of the department's review.

**SECTION 3.** 10-4-615 (4) (a) and (6), Colorado Revised Statutes, are amended

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

to read:

**10-4-615. Motorist insurance identification database program - reporting required - fine.** (4) (a) The department of revenue shall assess a fine of not more than two hundred fifty dollars against an insurer for each day such insurer fails to comply with this section OR WITH RULES PROMULGATED PURSUANT TO SECTION 42-7-604 (8), C.R.S.

(6) This section is repealed, effective July 1, ~~2001~~ 2003, unless the review conducted by the department of regulatory agencies pursuant to section 42-7-608, C.R.S., and reported to the general assembly indicates that the ~~number~~ PROPORTION of uninsured ~~motorist claims~~ MOTORISTS reported by insurers declined between July 1, ~~1997~~ 2000, and the date of the department's review.

**SECTION 4. Repeal.** 24-34-104 (30) (a) (VI), Colorado Revised Statutes, is repealed as follows:

**24-34-104. General assembly review of regulatory agencies and functions for termination, continuation, or reestablishment.** (30) (a) The following functions of the specified agency shall terminate on July 1, 2001:

(VI) ~~The motorist insurance identification database program created in section 10-4-615, C.R.S., as conducted by the department of revenue.~~

**SECTION 5.** 24-34-104 (32.5), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

**24-34-104. General assembly review of regulatory agencies and functions for termination, continuation, or reestablishment.** (32.5) The following agencies, functions, or both, shall terminate on July 1, 2003:

(g) THE MOTORIST INSURANCE IDENTIFICATION DATABASE PROGRAM CREATED IN SECTION 42-7-604, C.R.S.

**SECTION 6.** 10-4-726, Colorado Revised Statutes, is amended to read:

**10-4-726. Repeal of part.** This part 7 is repealed, effective July 1, ~~2001~~ 2002.

**SECTION 7.** The introductory portion to 42-7-605 (1), Colorado Revised Statutes, is amended to read:

**42-7-605. Notice of lack of financial responsibility.** (1) If the comparison made pursuant to section 42-7-604 (6) (b) shows that a motor vehicle THAT HAS NOT BEEN EXEMPTED UNDER SECTION 42-3-134 (1) (b) has not been insured for three consecutive months, the department of revenue shall direct the designated agent to notify the owner of the motor vehicle that said owner has forty-five days to provide the designated agent with one of the following, or said owner's ~~license plates~~ REGISTRATION will be subject to immediate ~~seizure~~ ADMINISTRATIVE SUSPENSION after the expiration of said forty-five day period:

**SECTION 8.** 42-3-134 (1) (a), (1) (c), and (26) (d), Colorado Revised Statutes,

are amended to read:

**42-3-134. Registration fees - passenger and passenger-mile taxes.** (1) (a) Not later than September 1, 1997, in addition to other fees specified in this section, an applicant shall pay a motorist insurance identification fee ~~of one dollar~~ IN AN AMOUNT DETERMINED BY PARAGRAPH (d) OF SUBSECTION (26) OF THIS SECTION when application is made for registration or renewal of registration of a motor vehicle under this article.

(c) This subsection (1) is repealed, effective July 1, ~~2001~~ 2003, unless the review conducted by the department of regulatory agencies pursuant to section 42-7-608 and reported to the general assembly indicates that the ~~number~~ PROPORTION of uninsured ~~motorist claims~~ MOTORISTS reported by insurers declined between July 1, ~~1997~~ 2000, and the date of the department's review.

(26) (d) (I) Effective September 1, 1997, in addition to any other fee imposed by this section, there shall be collected, at the time of registration of any motor vehicle in the state, a motorist insurance identification fee. Such fee shall be adjusted annually by the department of revenue, based upon moneys appropriated by the general assembly for the operation of the motorist insurance identification database program. In no event shall such fee exceed ~~one dollar~~ FIFTY CENTS. Such fee shall be transmitted to the state treasurer, who shall credit the same to a special account within the highway users tax fund, to be known as the motorist insurance identification account, which is hereby created. Moneys in the motorist insurance identification account shall be used, subject to appropriation by the general assembly, to cover the costs of administration and enforcement of the motorist insurance identification database program, created in section 42-7-604.

(II) This paragraph (d) is repealed, effective July 1, ~~2001~~ 2003, unless the review conducted by the department of regulatory agencies pursuant to section 42-7-608 and reported to the general assembly indicates that the ~~number~~ PROPORTION of uninsured ~~motorist claims~~ MOTORISTS reported by insurers declined between July 1, ~~1997~~ 2000, and the date of the department's review.

**SECTION 9.** 10-4-604.5 (2), Colorado Revised Statutes, is amended to read:

**10-4-604.5. Issuance or renewal of insurance policies - proof of insurance provided by certificate, card, or other media - repeal.** (2) This section is repealed, effective July 1, ~~2001~~ 2003.

**SECTION 10.** 42-3-105 (1) (c) (III), Colorado Revised Statutes, is amended to read:

**42-3-105. Application for registration - tax - repeal.** (1) (c) (III) This paragraph (c) is repealed, effective July 1, ~~2001~~ 2003.

**SECTION 11.** 42-3-112 (3) (b) (I), Colorado Revised Statutes, is amended to read:

**42-3-112. Records of application and registration - repeal.** (3) (b) (I) The department may not renew the registration of a motor vehicle unless the applicant has

SUBMITTED PROOF OF a complying motor vehicle insurance policy, including an operator's policy of insurance under section 10-4-706.5, C.R.S., or certificate of self-insurance in full force and effect as required by sections 10-4-705 and 10-4-716, C.R.S. The requirements of this paragraph (b) apply only to motor vehicles classified as Class C personal property under section 42-3-106 (1) (c), to light trucks THAT HAVE NOT BEEN EXEMPTED UNDER SECTION 42-3-134 (1) (b), that do not exceed sixteen thousand pounds empty weight, and that are not insured through a commercial line of insurance, and to sports utility vehicles that are classified as Class B personal property under section 42-3-106 (1) (b). The registration renewal card shall direct the applicant to enclose the proof of insurance certificate or insurance identification card provided to the applicant by the applicant's insurer pursuant to section 10-4-604.5, C.R.S., with the renewal card or provide proof of insurance in such other media as is authorized by the department to demonstrate compliance with such requirements. Nothing in this paragraph (b) shall be interpreted to preclude the department from electronically transmitting insurance information to designated agents pursuant to section 42-7-604 for the purpose of ensuring compliance with mandatory insurance requirements.

**SECTION 12.** 42-4-1409 (8), Colorado Revised Statutes, is amended to read:

**42-4-1409. Compulsory insurance - penalty - repeal.** (8) This section is repealed, effective July 1, ~~2001~~ 2003, unless the review conducted by the department of regulatory agencies pursuant to section 42-7-608 and reported to the general assembly ~~during the 1999 regular session of the general assembly~~ indicates that the ~~number~~ PROPORTION of uninsured ~~motorist claims~~ MOTORISTS ~~reported by insurers~~ declined between July 1, ~~1997~~ 2000, and the date of the department's review.

**SECTION 13.** 42-4-1410 (3), Colorado Revised Statutes, is amended to read:

**42-4-1410. Proof of financial responsibility required - suspension of license - repeal.** (3) This section is repealed, effective July 1, ~~2001~~ 2003, unless the review conducted by the department of regulatory agencies pursuant to section 42-7-608 and reported to the general assembly ~~during the 1999 regular session of the general assembly~~ indicates that the ~~number~~ PROPORTION of uninsured ~~motorist claims~~ MOTORISTS ~~reported by insurers~~ declined between July 1, ~~1997~~ 2000, and the date of the department's review.

**SECTION 14.** 42-7-301.5 (4), Colorado Revised Statutes, is amended to read:

**42-7-301.5. Proof of financial responsibility.** (4) This section is repealed, effective July 1, ~~2001~~ 2003, unless the review conducted by the department of regulatory agencies pursuant to section 42-7-608 and reported to the general assembly indicates that the ~~number~~ PROPORTION of uninsured ~~motorist claims~~ MOTORISTS ~~reported by insurers~~ declined between July 1, ~~1997~~ 2000, and the date of the department's review.

**SECTION 15. Appropriation.** In addition to any other appropriation, there is hereby appropriated, out of any moneys in the motorist insurance identification account in the highway users tax fund not otherwise appropriated, to the department of revenue, for the fiscal year beginning July 1, 2001, the sum of one million nine hundred seventy-one thousand nine hundred forty-five dollars (\$1,971,945) and

8.0 FTE, or so much thereof as may be necessary, for the implementation of this act.

**SECTION 16. 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: May 22, 2001