

CHAPTER 43

PROFESSIONS AND OCCUPATIONS

HOUSE BILL 01-1115

BY REPRESENTATIVE(S) White, Stengel, Garcia, Mitchell, and Scott;
also SENATOR(S) Phillips and Fitz-Gerald.

AN ACT

CONCERNING REQUIREMENTS THAT LICENSED AUTOMOBILE DEALERS DISCLOSE THE AMOUNT OF
COMPENSATION PRIOR TO COMPLETION OF A TRANSACTION.

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

SECTION 1. 12-6-108 (1) (b), Colorado Revised Statutes, is amended to read:

12-6-108. Classes of licenses. (1) Licenses issued under the provisions of this part 1 shall be of the following classes:

(b) Used motor vehicle dealer's license shall permit the licensee to engage in the business of selling, exchanging, leasing, or offering used motor vehicles only. Such license shall also permit a licensee to negotiate for a consumer the sale, exchange, or lease of used and new motor vehicles not owned by the licensee, except those vehicles defined in section 42-1-102 (55), C.R.S., as motorcycles and section 33-14.5-101 (3), C.R.S., as off-highway vehicles; however, ~~the licensee shall disclose in writing to all parties prior to any such negotiation for the sale, exchange, or lease of a motor vehicle not owned by the licensee whether the licensee will receive any compensation from the consumer and whether the licensee will receive any compensation from the owner of the motor vehicle as a result of such transaction.~~ prior to completion of such sale, exchange, or lease of a motor vehicle not owned by the licensee, the licensee shall disclose in writing to all parties ~~the amount of the compensation to be received from the consumer and the amount of compensation to be received from the owner of the motor vehicle as a result of such transaction~~ THE CONSUMER WHETHER THE LICENSEE WILL RECEIVE ANY COMPENSATION FROM THE CONSUMER AND WHETHER THE LICENSEE WILL RECEIVE ANY COMPENSATION FROM THE OWNER OF THE MOTOR VEHICLE AS A RESULT OF SUCH TRANSACTION. IF THE LICENSEE RECEIVES COMPENSATION FROM THE OWNER OF THE MOTOR VEHICLE AS A RESULT OF THE TRANSACTION, THE LICENSEE SHALL INCLUDE IN THE WRITTEN DISCLOSURE THE NAME

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

OF SUCH OWNER FROM WHOM THE LICENSEE WILL RECEIVE COMPENSATION. This form of license shall permit not more than two persons named therein who shall be owners or part owners of the business of the licensee to act as motor vehicle salespersons.

SECTION 2. Effective date. This act shall take effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution; except that, if a referendum petition is filed against this act or an item, section, or part of this act within such period, then the act, item, section, or part, if approved by the people, shall take effect on the date of the official declaration of the vote thereon by proclamation of the governor.

Approved: March 20, 2001