

## CHAPTER 61

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**MOTOR VEHICLES AND TRAFFIC REGULATION**


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**HOUSE BILL 06-1007**

BY REPRESENTATIVE(S) Decker, and Todd;  
also SENATOR(S) Williams, and May R.

**AN ACT**

**CONCERNING THE TRANSFER OF A MOTOR VEHICLE TO A PERSON NOT LICENSED AS A MOTOR VEHICLE DEALER FOR THE PURPOSE OF SCRAPPING THE MOTOR VEHICLE.**

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

**SECTION 1.** 42-4-1810 (1) (b), Colorado Revised Statutes, is amended to read:

**42-4-1810. Transfer and purge of certificates of title.** (1) Whenever any motor vehicle is abandoned and removed and sold in accordance with the procedures set forth in this part 18, the department shall transfer the certificate of title or issue a new certificate of title or shall purge such certificate of title in either of the following cases:

(b) Upon a person's submission of documents indicating the abandonment, removal, and subsequent wrecking or dismantling of a motor vehicle, including all sales of abandoned motor vehicles with an appraised value under two hundred dollars that are conducted pursuant to section 42-4-1805 (2), the department shall KEEP THE RECORDS FOR ONE YEAR AND THEN purge the records for such abandoned motor vehicle; EXCEPT THAT THE DEPARTMENT SHALL NOT BE REQUIRED TO WAIT BEFORE PURGING THE RECORDS IF THE PURCHASER IS A LICENSED MOTOR VEHICLE DEALER.

**SECTION 2.** 42-4-2109 (1) (b), Colorado Revised Statutes, is amended to read:

**42-4-2109. Transfer and purge of certificates of title.** (1) Whenever any motor vehicle is abandoned and removed and sold in accordance with the procedures set forth in this part 21, the department shall transfer the certificate of title or issue a new certificate of title or shall purge such certificate of title in either of the following cases:

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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.*

(b) Upon a person's submission of documents indicating the abandonment, removal, and subsequent wrecking or dismantling of a motor vehicle, including all sales of abandoned motor vehicles with an appraised value of two hundred dollars or less that are conducted pursuant to section 42-4-2104 (2) and all sales of abandoned motor vehicles, as defined in section 42-4-2104.5 (2) (a), with an appraised value of two hundred dollars or less that are conducted pursuant to section 42-4-2104.5 (4) (e) (II), the department shall KEEP THE RECORDS FOR ONE YEAR AND THEN purge the records for such abandoned motor vehicle; EXCEPT THAT THE DEPARTMENT SHALL NOT BE REQUIRED TO WAIT BEFORE PURGING THE RECORDS IF THE PURCHASER IS A LICENSED MOTOR VEHICLE DEALER.

**SECTION 3.** Article 4 of title 42, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PART to read:

PART 22  
SCRAPPING MOTOR VEHICLES

**42-4-2201. Definitions.** AS USED IN THIS PART 22, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "LICENSED MOTOR VEHICLE DEALER" MEANS A MOTOR VEHICLE DEALER THAT IS LICENSED PURSUANT TO PART 1 OF ARTICLE 6 OF TITLE 12, C.R.S.

(2) "OPERATOR" MEANS A PERSON OR A FIRM LICENSED BY THE PUBLIC UTILITIES COMMISSION AS A TOWING CARRIER.

(3) "SCRAPPING" MEANS SCRAPPING, CRUSHING, OR DISMANTLING.

**42-4-2202. Disposal for scrapping.** (1) NO PERSON WHO IS NOT A LICENSED MOTOR VEHICLE DEALER SHALL PURCHASE OR OTHERWISE RECEIVE A MOTOR VEHICLE FOR THE PURPOSE OF SCRAPPING THE VEHICLE, UNLESS THE SELLER OR TRANSFEROR:

(a) IS THE OWNER ON THE CERTIFICATE OF TITLE, AN OPERATOR, OR A LICENSED MOTOR VEHICLE DEALER; AND

(b) PROVIDES A COMPLETED BILL OF SALE ON A FORM PRESCRIBED BY THE DEPARTMENT OF REVENUE.

(2) A PERSON OTHER THAN A LICENSED MOTOR VEHICLE DEALER WHO PURCHASES OR OTHERWISE RECEIVES A MOTOR VEHICLE FOR THE PURPOSE OF SCRAPPING THE VEHICLE SHALL KEEP THE VEHICLE FOR SEVEN BUSINESS DAYS BEFORE SCRAPPING IT. DURING THE SEVEN DAYS, THE MOTOR VEHICLE, THE BILL OF SALE, AND, IF APPLICABLE, THE DAILY RECORD REQUIRED PURSUANT TO SECTION 42-5-105 SHALL BE OPEN AT ALL TIMES DURING REGULAR BUSINESS HOURS TO INSPECTION BY THE DEPARTMENT OF REVENUE OR ANY PEACE OFFICER.

(3) ANY PERSON VIOLATING ANY PROVISION OF THIS SECTION IS GUILTY OF A MISDEMEANOR AND, UPON CONVICTION THEREOF, SHALL BE PUNISHED BY A FINE OF NOT MORE THAN FIVE HUNDRED DOLLARS FOR THE FIRST OFFENSE AND ONE

THOUSAND DOLLARS FOR EACH SUBSEQUENT OFFENSE.

**SECTION 4. Effective date - applicability.** This act shall take effect July 1, 2006, and shall apply to sales or transfers of motor vehicles, or parts thereof, on or after said date.

**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.

Approved: March 31, 2006