

## CHAPTER 376

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**MOTOR VEHICLES AND TRAFFIC REGULATION**


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**SENATE BILL 07-070**

BY SENATOR(S) Takis, Kester, May R., Schultheis, Spence, and Wiens;  
also REPRESENTATIVE(S) Marostica, Frangas, Kerr J., McFadyen, Roberts, Soper, Stephens, and Todd.

**AN ACT**

**CONCERNING THE TRANSFER OF A MOTOR VEHICLE TO A BUSINESS THAT INTENDS TO RECYCLE SUCH VEHICLE, AND MAKING AN APPROPRIATION THEREFOR.**

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

**SECTION 1.** Part 22 of article 4 of title 42, Colorado Revised Statutes, is amended to read:

PART 22  
RECYCLING 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.~~ "RECYCLING" MEANS:

(a) CRUSHING OR SHREDDING A MOTOR VEHICLE TO PRODUCE SCRAP METAL THAT MAY BE USED TO PRODUCE NEW PRODUCTS; OR

(b) DISMANTLING A MOTOR VEHICLE TO REMOVE REUSABLE PARTS PRIOR TO RECYCLING THE REMAINDER OF THE VEHICLE.

(4) "SYSTEM" MEANS THE COLORADO MOTOR VEHICLE VERIFICATION SYSTEM

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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.*

CREATED IN SECTION 42-4-2203.

**42-4-2202. Transfer for recycling.** (1) No person who is not a licensed motor vehicle dealer shall purchase or otherwise receive a motor vehicle ~~for the purpose of scrapping~~ TO RECYCLE the vehicle, unless: ~~the seller or transferor:~~

(a) THE SELLER OR TRANSFEROR is the owner on the certificate of title, an operator, or a licensed motor vehicle dealer; ~~and~~

(b) THE SELLER OR TRANSFEROR provides a completed bill of sale on a form prescribed by the department of revenue; OR

(c) THE RECEIVER OR PURCHASER COMPLIES WITH SUBSECTION (2) OF THIS SECTION.

(2) (a) A person other than a licensed motor vehicle dealer who purchases or otherwise receives a motor vehicle for the purpose of ~~scrapping~~ RECYCLING the vehicle shall keep the vehicle for seven business days before ~~scrapping it~~ RECYCLING UNLESS THE SELLER OR TRANSFEROR:

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

(II) IF THE PURCHASER OR TRANSFEREE IS AN OPERATOR SELLING AN ABANDONED MOTOR VEHICLE PURSUANT TO PARTS 18 OR 21 OF THIS ARTICLE OR A LICENSED MOTOR VEHICLE DEALER OR USED MOTOR VEHICLE DEALER, PROVIDES A COMPLETED BILL OF SALE ON A FORM PRESCRIBED BY THE DEPARTMENT OF REVENUE.

(b) During the ~~seven days~~ SEVEN-DAY WAITING PERIOD:

(I) The motor vehicle, the bill of sale, A COPY OF THE SYSTEM INQUIRY RESULTS, 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; AND

(II) THE RECEIVER OR PURCHASER SHALL SUBMIT THE VEHICLE IDENTIFICATION NUMBER TO THE SYSTEM.

(3) Any person ~~violating any provision of~~ WHO VIOLATES 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.

**42-4-2203. Vehicle verification system - fees - rules.** (1) THE COLORADO MOTOR VEHICLE VERIFICATION SYSTEM IS HEREBY CREATED WITHIN THE COLORADO BUREAU OF INVESTIGATION. THE SYSTEM SHALL BE A DATABASE SYSTEM THAT USES A MOTOR VEHICLE'S VEHICLE IDENTIFICATION NUMBER TO ASCERTAIN WHETHER THE MOTOR VEHICLE HAS BEEN STOLEN. THE SYSTEM SHALL BE ACCESSIBLE THROUGH THE INTERNET BY MOTOR VEHICLE DEALERS, MOTOR VEHICLE RECYCLERS, AUTOMOBILE REPAIR SHOPS, LICENSED TOW OPERATORS, AND THE GENERAL PUBLIC.

(2) THE SYSTEM SHALL USE THE LATEST INFORMATION THAT THE DEPARTMENT OF PUBLIC SAFETY POSSESSES ON STOLEN MOTOR VEHICLES.

(3) USERS OF THE SYSTEM SHALL PAY A FEE AS ESTABLISHED BY THE DEPARTMENT OF PUBLIC SAFETY IN AN AMOUNT NECESSARY TO FUND THE DIRECT AND INDIRECT COSTS OF ADMINISTERING THE SYSTEM.

(4) THE DEPARTMENT OF PUBLIC SAFETY MAY REGISTER THE PERSONS WHO USE THE SYSTEM AND PROMULGATE ANY RULES REASONABLY NECESSARY TO IMPLEMENT THE SYSTEM.

**42-4-2204. Theft discovered - duties - liability.** (1) IF A MOTOR VEHICLE IS IDENTIFIED AS STOLEN BY THE SYSTEM, THE PERSON SUBMITTING THE INQUIRY SHALL REPORT THE INCIDENT TO THE NEAREST LAW ENFORCEMENT AGENCY WITH JURISDICTION WITHIN ONE BUSINESS DAY.

(2) A PERSON WHO, ACTING IN GOOD FAITH, RECYCLES A MOTOR VEHICLE OR REPORTS AN INCIDENT TO A LAW ENFORCEMENT AGENCY SHALL BE IMMUNE FROM CIVIL LIABILITY AND CRIMINAL PROSECUTION FOR SUCH ACTS IF MADE IN RELIANCE ON THE SYSTEM. THE DEPARTMENT OF PUBLIC SAFETY SHALL NOT BE SUBJECT TO CIVIL LIABILITY FOR FAILING TO IDENTIFY A STOLEN VEHICLE.

(3) A PERSON WHO FAILS TO COMPLY WITH SUBSECTION (1) OF THIS SECTION COMMITS A CLASS 3 MISDEMEANOR AND, UPON CONVICTION THEREOF, SHALL BE PUNISHED IN ACCORDANCE WITH SECTION 18-1.3-501, C.R.S. A PERSON WHO FAILS TO COMPLY WITH SUBSECTION (1) OF THIS SECTION TWO TIMES WITHIN FIVE YEARS COMMITS A CLASS 2 MISDEMEANOR AND, UPON CONVICTION THEREOF, SHALL BE PUNISHED IN ACCORDANCE WITH SECTION 18-1.3-501, C.R.S. A PERSON WHO FAILS TO COMPLY WITH SUBSECTION (1) OF THIS SECTION THREE OR MORE TIMES WITHIN FIVE YEARS COMMITS A CLASS 1 MISDEMEANOR AND, UPON CONVICTION THEREOF, SHALL BE PUNISHED IN ACCORDANCE WITH SECTION 18-1.3-501, C.R.S.

**SECTION 2.** 42-5-105 (1) and (2), Colorado Revised Statutes, are amended to read:

**42-5-105. Daily record.** (1) (a) It is the duty of every dealer, and of the proprietor of every garage, to keep and maintain in such person's place of business an easily accessible and permanent daily record of all secondhand or used motor vehicle equipment, attachments, accessories, and appurtenances bought, sold, traded, exchanged, dealt in, repaired, or received or disposed of in any manner or way by or through the dealer or proprietor. THE RECORD MAY BE CREATED, RECORDED, STORED, OR REPRODUCED PHYSICALLY OR ELECTRONICALLY.

(b) ~~Said~~ THE record shall be kept in a good businesslike manner in the form of invoices or in a book by the dealer or proprietor and shall contain THE FOLLOWING:

(I) A description of any and all ~~said~~ SUCH articles of property of every class or kind sufficient for the ready identification thereof by a peace officer; ~~and such record shall include~~

(II) The name and address, legibly written, of the owner, vendor, and vendee;

(III) The time and date of such transactions; ~~and~~

(IV) The name, ~~and~~ address, AND A COPY OF THE IDENTIFICATION DOCUMENT of the driver and ~~of~~ the owner of ~~any~~ A motor vehicle received for ~~sale, trade, exchange, storage, repairs, or any other purpose, together with~~ EXCEPT THAT A LICENSED MOTOR VEHICLE DEALER OR USED MOTOR VEHICLE DEALER IS NOT REQUIRED TO OBTAIN OR RETAIN A COPY OF AN IDENTIFICATION DOCUMENT IF SUCH DEALER COMPLIES WITH ARTICLE 6 OF TITLE 12, C.R.S.;

(V) The model year, make and style, and engine or vehicle identification number and state registration license number of such motor vehicle IF REGISTERED; and

(VI) ~~for what~~ THE purpose ~~said~~ THE motor vehicle was ~~so~~ received and ~~what~~ THE disposition ~~was~~ made thereof.

(c) The record ~~is to~~ SHALL be open AND THE MOTOR VEHICLE SHALL BE AVAILABLE at all times during regular business hours to the inspection by the department of revenue or any peace officer and available for use as evidence.

(2) It is the duty of every person offering to a dealer, or to the proprietor of a garage, for ~~sale, trade, repair, or any other purpose, any~~ A motor vehicle or ~~any~~ secondhand or used motor vehicle equipment, attachment, accessory, or appurtenance to:

(a) Write or register, as legibly as possible, ~~with ink or indelible pencil,~~ the full and true name and address of the person and the name and address of the owner in the record kept by such dealer or proprietor of a garage as provided for in this section; AND

(b) PRESENT A VALID IDENTIFICATION DOCUMENT VERIFIABLE BY FEDERAL OR STATE LAW ENFORCEMENT. THE FOLLOWING DOCUMENTS, WITHOUT LIMITATION, SHALL BE DEEMED TO COMPLY WITH THIS PARAGRAPH (b):

(I) AN IDENTIFICATION DOCUMENT ISSUED BY THE STATE OF COLORADO;

(II) AN IDENTIFICATION DOCUMENT ISSUED BY ANY OTHER STATE;

(III) AN IDENTIFICATION DOCUMENT ISSUED BY THE UNITED STATES GOVERNMENT;

(IV) A PASSPORT ISSUED BY THE UNITED STATES GOVERNMENT OR ANOTHER JURISDICTION.

**SECTION 3. Appropriation.** In addition to any other appropriation, there is hereby appropriated, out of any fees collected pursuant to section 42-4-2203, Colorado Revised Statutes, not otherwise appropriated, to the department of public safety, for the fiscal year beginning July 1, 2007, the sum of seventy-four thousand three hundred eighty-nine dollars (\$74,389) and 1.0 FTE, or so much thereof as may be necessary, for the implementation of this act.

**SECTION 4. Effective date - applicability.** This act shall take effect July 1,

2007, and shall apply to offenses committed 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: May 31, 2007