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0465 Transportation Legislation Review Committee



**Transportation
Legislation
Review
Committee**

**Report to the
GOVERNOR
and the
COLORADO
GENERAL ASSEMBLY**

**Colorado Legislative Council
Research Publication No. 465
November 1999**

RECOMMENDATIONS FOR 2000

**TRANSPORTATION LEGISLATION
REVIEW COMMITTEE**

**Report to the
Colorado General Assembly**

**Research Publication No. 465
November 1999**

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November 1999

To Members of the Sixty-second General Assembly:

Submitted herewith is the final report for the Transportation Legislation Review Committee. The committee was reconstituted pursuant to Section 43-2-145, C.R.S. (Senate Bill 36, 1986 Session). The purpose of the committee is "to give guidance and direction to the state Department of Transportation in the development of the state transportation system, and to provide legislative overview of and input into such development"

At its meeting on November 15, 1999, the Legislative Council reviewed the report of this committee. A motion to forward this report and the bills therein for consideration in the 2000 session was approved.

Respectfully submitted,

/s/ Senator Ray Powers
Chairman
Legislative Council

RP/BD/pw

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TRANSPORTATION LEGISLATION REVIEW COMMITTEE

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Chairman**

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EXECUTIVE SUMMARY

Committee Charge

Pursuant to Section 43-2-145, C.R.S., the Transportation Legislation Review Committee (TLRC) is authorized to give guidance and direction to the Colorado Department of Transportation (CDOT) in the development of the state transportation system and to provide legislative overview of such development. The committee is directed to review any phase of operations for CDOT, including planning and construction of highway projects. The committee is also authorized to review any phase of operations for any public highway authority (e.g., E-470 Authority) along with any rural transportation authority responsible for the development of rural transportation systems. In addition, the legislative committee provides guidance to the Regional Transportation District (RTD) and reviews its budget, farebox recovery ratio, and the privatization of bus service.

Committee Activities

The committee held six meetings, conducted one tour, and received testimony on a variety of transportation-related matters from representatives of the following organizations: CDOT, RTD, the E-470 Public Highway Authority, Department of Revenue (DOR), Colorado Intermountain Fixed Guideway Authority (CIFGA), Colorado State Patrol (CSP), Colorado Association of Transit Agencies (CASTA), Colorado Motor Carriers Advisory Council (CMCAC), Colorado Mobility Association and the Denver Regional Council of Governments (DRCOG). A tour with members of the Transportation Commission afforded members of the TLRC the opportunity to confer with Western Slope county commissioners and officials on such issues as Transportation Revenue Anticipation Notes (TRANS) and the 7th Pot Projects (i.e., strategic 28 statewide projects as adopted by the Colorado Transportation Commission), alternative modes of transportation, and transportation interchange improvements.

The committee heard testimony from the DOR on the success of the "Wheels Project," which is a "one-stop shop" for motor carriers. This program includes the electronic clearance of trucks through the ports of entry. Information was provided by CDOT on the Transportation Commission's Action 20 - Year Resource Allocation Plan for the 7th Pot Projects as well as the Statewide Transportation Planning Process. Committee members were briefed by the E-470 Highway Authority on the progress of highway construction projects along E-470. Members of the RTD Board informed the TLRC about the accomplishments of the board and its legislative proposal to redefine the definition of "revenue" in the RTD Act.

The DOR briefed the committee on the activities of the Motorist Insurance Identification Database and the Alcohol-Ignition Interlock Program. The committee was provided information regarding other legislation that proposes appropriating moneys from

the General Fund to the Highway Users Tax Fund and a one-time transfer of moneys to the Highway Account of the Transportation Infrastructure Revolving Fund for Fiscal Year 2000-01. Committee members were also briefed on legislation which would have used moneys from the General Fund to match Federal Transit Administration Funds allocated for transit programs within the State. The committee also reviewed legislation which would allow for the electronic filing of Motor Vehicle Certificates of Title and would require light-duty truck owners, as well as sports utility vehicle owners, to provide proof of motor vehicle insurance before registering a vehicle with the DOR. A proposal which would have addressed incentives and disincentives in the federal Transportation Act for the 21st Century, regarding the reduction of the alcohol content level required for certain offenses and the prohibition of open alcoholic containers in motor vehicles, was not endorsed by the Committee.

Committee Recommendations

As a result of committee discussion and deliberation, the committee recommends eight bills for consideration in the 2000 legislative session.

Bill A — Continuing the Ignition Interlock Program. This bill extends the repeal of the current voluntary ignition interlock probationary license program until January 1, 2001. It includes driving while ability impaired as an alcohol-related offense which, if committed within five years after another alcohol-related offense, requires the defendant to hold a restricted license requiring an ignition interlock device for one year.

Bill B — Modifying the Definition of School Bus. Bill B clarifies the current definition of school bus to include leased vehicles and vehicles used to transport children to school-sponsored activities. Under the bill, only those school buses required to have school bus markings and visual signal lights will be required to stop at railroad crossings.

Bill C — Transferring Moneys to the Highway Account of the Transportation Infrastructure Revolving Fund for Fiscal Year 2000-01. This bill directs an additional \$10 million be transferred out of the General Fund and into the Highway Account of the Transportation Infrastructure Revolving Fund, effective July 1, 2000. This is a one-time transfer of moneys which will not count against TABOR limits.

Bill D — Revenues Received by the Regional Transportation District. Bill D expands the statutory definition of "revenues" contained in the Regional Transportation District Act to include moneys received in the form of grants or contributions from all public or private sources. It changes the references in the act from "net revenues" to "revenues" to conform with this change in the statutory definition.

Bill E — Appropriating Moneys From the General Fund to the Highway Users Tax Fund. This bill requires the General Assembly to appropriate specified amounts from the General Fund to the Highway Users Tax Fund for the fiscal year beginning on July 1, 2000, and each fiscal year thereafter. These appropriations will be subject to the statutory

restriction on state appropriations. The bill also specifies that the moneys appropriated to the Highway Users Tax Fund would be allocated to the state, counties, and municipalities in the same manner as other Highway Users Tax Fund moneys.

Bill F — *Electronic Certificates of Title for Motor Vehicles.* Bill F adds definitions of "electronic record," "file," and "record" to the statutes relating to Motor Vehicle Certificates of Title. It allows the Director of the Department of Revenue to create rules for electronic record keeping to be done by county clerks and recorders for each county and the Denver Manager of Revenue, as authorized agents.

Bill G — *Providing Proof of Motor Vehicle Insurance to the DOR.* This bill expands the requirement that a person registering or renewing the registration of a motor vehicle with the DOR provide proof of a complying motor vehicle insurance policy, owner's policy, or certificate of self-insurance. The requirement is applicable to light trucks that are sixteen thousand pounds empty weight that are not insured through a commercial line of insurance and sports utility vehicles that are classified as Class B personal property.

Bill H — *Recouping the Cost of Mailing Motor Vehicle License Plates.* Bill H requires applicants for motor vehicle registration, who wish to have their licence plates mailed to them, to pay to the authorized agents of the DOR a reasonable fee to cover the actual shipping and handling costs. It allows the department's agents to collect and retain such a fee.

STATUTORY AUTHORITY AND RESPONSIBILITIES

The Transportation Legislation Review Committee is established to give guidance and direction in the development of the state transportation system and to provide legislative overview of and input into such development. Currently, the committee is composed of six members of the General Assembly (three Representatives; three Senators) and five citizen members appointed by the Governor.

Specifically, the TLRC is required under Section 43-2-145, C.R.S., to meet at least once a year to review all transportation legislation. Upon completion of its review of the transportation laws, the committee may make recommendations to the Governor and to the General Assembly for such additional legislation as it deems necessary. The committee recommends eight bills this year. The committee is authorized to develop and make recommendations concerning the financing of the state transportation system. Several legislative proposals regarding financing have been recommended by the committee for 2000.

In its oversight role, the TLRC is authorized to review any operations of the Colorado Department of Transportation, any public highway authority, the Regional Transportation District, or any rural transportation authority. The committee may review projects after completion to determine whether the project was completed in the most cost-effective and efficient manner. The committee may also require financial or performance audits to be conducted.

The committee may require the CDOT to prepare and adopt 5-, 10-, and 15-year plans for the development of the state transportation system, and the committee must monitor the progress of such plans. The committee is authorized to consult with the CDOT personnel and other experts in the field of highway construction as may be necessary. The CDOT personnel are required to cooperate with the committee and with any persons assisting the committee in carrying out its statutory duties.

Background (History of the TLRC)

The roots of the TLRC go back to 1953 when the General Assembly reorganized the state highway system and restructured the relationship between state highway, county road, and municipal street systems. First established as the Highway Legislation Review Committee (HLRC), the committee's original charge was to review the implementation and impact of these new highway systems. In 1987, the committee's charge was expanded to include oversight of public highway authorities and projects, such as E-470 and W-470. Public highway authorities are required to report annually each August to the TLRC on their activities in the preceding year and their plans for the coming year. In 1989, the General Assembly required the RTD to respond to the HLRC requests for information.

In 1994, pursuant to the enactment of Senate Bill 94-14, the committee's name was changed to the Transportation Legislation Review Committee to correspond with the Department of Transportation. With the name change, the scope of the committee was expanded to parallel the department's focus which had begun incorporating all types of transportation. The most recent change occurred in 1997, when the committee's authority was expanded to include oversight of rural transportation authorities.

COMMITTEE ACTIVITIES

During the 1999 interim, the TLRC held six meetings, conducted one tour, and received information on a variety of transportation-related matters. The TLRC heard various transportation reports regarding the following: the Transportation Commission Action - 20 Year Resource Allocation Plan for the 7th Pot Projects and other state transportation budget issues; the E-470 toll-road; the activities of the Regional Transportation District; and a variety of other statewide transportation issues. Several of these statewide transportation projects and issues are discussed in greater detail below.

Colorado Department of Transportation Projects and Issues

The CDOT provided a status report on the funding needed to complete the proposed highway construction in Colorado. The previous estimated shortfall from 1995 for the 20-year state transportation plan was about \$8 billion. However, the recent increases in federal and state funding for transportation needs have reduced the projected shortfall to about \$4.5 billion. The discussion of highway projects included the 7th Pot Projects which are 28 high-priority projects that include other improvements along six major transportation corridors. The department noted that its primary objective is to provide the best possible multi modal transportation system for Colorado that most effectively moves people, goods, and information.

Transportation Revenue Anticipation Notes (TRANS): In response to the Transportation Commission's effort to accelerate 28 high-priority projects, the legislature enacted House Bill 99-1325 which provided for the submission of a ballot question to Colorado voters regarding the issuance of TRANS. On November 2, 1999, the voters approved the measure which allows the state to incur up to \$1.7 billion in debt, with a maximum repayment cost of \$2.3 billion, to address these 7th Pot Projects. This includes principal, interest, and issuance costs.

Under this program, the state will be financing transportation projects that qualify for federal funding through the issuance of TRANS. The notes would be repaid using: (1) federal transportation funds and state matching funds allocated by the Transportation Commission; (2) proceeds from the sale of TRANS; and (3) any other moneys which do not include revenues to the state.

The Transportation Commission has committed nearly one-third of its annual program toward the 28 high-priority projects. Projects that have been completed to date include:

- I-25, Owl Canyon Road to Wyoming;
- C-470 Extension;

- US 34, I-24 to US 85; and
- Santa Fe Corridor (although funding will be completed in 2000).

Department of Revenue (DOR) "Wheels Project"

The Director for the Motor Carrier Services, DOR, updated the committee on the "Wheels Project" which is to be a "one-stop-shop" for the motor carriers. Major goals of the project include: 1) the renovation of the port computer system; 2) electronic clearance of trucks; and 3) electronic credentialing. In 1995, the department began re-engineering the way it does business with the Motor Carriers Industry of Colorado. Originally, the project's cost was estimated to be \$8 million with the completion date of 2002. As of 1999, the project is completely funded, two to three years ahead of schedule with a cost of approximately \$5 million. It was originally expected that three to four ports would be automated in 1999. As of the past summer, all nine ports are fully automated. The initial forecasts of the number of vehicles to be cleared at highway speeds through the ports of entry were thought to be 100,000 to 250,000 vehicles per year. This figure is now considered low, as FY 2000 estimates may reach 250,000 to 400,000 vehicles per year.

E-470 Public Highway Authority Projects and Issues

Officials of the E-470 Public Highway Authority provided the committee with an update of highway construction projects along E-470. The director stated that the authority is predicting \$14.25 million in income for 1999. There are approximately 20,000 to 25,000 average daily transactions on the toll road. The northern development of E-470, Segment IV, has not progressed as originally predicted. This segment is the most expensive portion of the road due to the number of obstacles, such as the numerous oil wells in the immediate area. Environmental concerns have been significantly addressed throughout the building of the road. One of the developing relationships between the Authority and the private sector focuses on the issue of interchange development along the toll road. The private sector approached the Authority with an offer to pay for interchanges on the toll road so their businesses could be accessed. This collaboration is currently being discussed and explored.

Regional Transportation District Projects and Issues

The General Manager for the RTD provided a summary of the 1999 Amended RTD Budget, Cost Recovery Ratios, RTD Boardings, and Planned Vehicle Purchases. He discussed the annual boardings for the years 1989 to 1998, light rail annual ridership, and the Eco Pass Participation, where companies purchase passes for all of their employees, creating greater ridership within the company. There are existing funds for the district to purchase 385 new buses in 1999. The RTD fleet is changing as most of the larger buses are being replaced by smaller vehicles.

The General Manager informed the committee that the Southwest Corridor Project is on time and under budget. The right-of-way acquisition for this corridor is 100 percent complete. The U.S. House of Representatives Appropriations Committee has appropriated \$35 million for this joint project with the CDOT.

Colorado Association of Transit Agencies

The President of the Colorado Association of Transit Agencies and the Transportation Director of the City of Ft. Collins presented an overview of CASTA. Colorado transit includes urban fixed-route transit systems, 31 rural transit systems, specialized transit systems for the elderly and disabled, and 35 private businesses. Transit carries more than 90 million customers a year in Colorado. The major funding sources for transit in Colorado are local government, federal grants, contracts, fares and donations. Local government provides the bulk of the funding. CASTA identified statewide transit needs to demonstrate to the committee the benefits of transit investments, to support access and mobility for all Colorado citizens by encouraging investment in transit by the state, and to request the state to provide matching funds to leverage federal funding.

Motorist Insurance Database

The Director of Driver Services of the Division of Motor Vehicle briefed the committee on the Motorist Insurance Identification Database Program Act (Act). The Act requires the Colorado Division of Motor Vehicle (DMV) of the DOR to establish and administer a computer database by coordinating information with the auto insurance companies to assist in determining whether or not a motorist is insured. It is designed to be a comprehensive tool to assist the courts, law enforcement officials, and the DMV in verifying owner compliance with the motor vehicle insurance requirements. The Act enables for the first time Colorado law enforcement to access a computer database to determine whether Colorado drivers have current insurance.

The database merges three files - a driver, vehicle, and insurance file - providing a means of cross-referencing information to determine insurance status. All insurers writing policies in Colorado are required to provide policy holder information to the DMV. The information (i.e., vehicle identification number (VIN), make and year of the auto, name, date of birth, license number, and address of each insured on the policy) is matched to a vehicle or vehicle operator. When a vehicle is stopped by the police or involved in an accident, the license number is run through a computer. If the vehicle or operator is not listed as insured, the officer can confiscate the license or serve the driver with a notice that his or her license will be suspended in seven days.

The Act also required the Department of Regulatory Agencies (DORA) to review the operation and performance of the program to determine if the number of uninsured motorist claims reports by insurers have declined. DORA's recently completed analysis of the database program indicates that accidents involving uninsured motorists reported to the

Division decreased 23 percent between the fiscal years 1997-98 and 1998-99. However, the department questioned whether there was sufficient data to determine if the Act had positively impacted compliance with the state's compulsory insurance statutes. The report questioned whether the reduction could be directly attributed to the program given its short period of implementation. House Bill 97-1209 repeals the Database program and the motor vehicle insurance laws, effective July 1, 2001, if the number of uninsured motorist claims reported by insurers do not decline during such period.

Alcohol-Ignition Interlock Pilot Program

Physicians from the University of Colorado Health Sciences Center, including the Director of the Evaluation of the Pilot Interlock Program, provided statistics from the "Preliminary Summary of Alcohol-Ignition Interlock Program" to the committee. Each of the presenters believed that the device and the bill have worked, proving to be good public policy. The device is installed in a motor vehicle to measure the breath alcohol content of the driver before a vehicle is started. It periodically requires additional breath samples during the operation of the vehicle. More than 900 repeat offenders have had the devices installed, resulting in a reduction of repeat offenses. According to the doctors, the program could have greater impact if more repeat offenders could be entered into the program. The principal goal of the program was to target the hard-core offenders, but they conceded that it is difficult to attract these individuals to a voluntary program. The committee discussion focused on whether or not the program was viable and should be continued.

Recommendation. The committee agreed to Bill A which extends the repeal of the program until January 1, 2001. This proposed legislation was approved by the Legislative Council.

Highway Construction Funding

The TLRC discussed two pieces of legislation which transfer moneys from the General Fund to the Transportation Infrastructure Revolving Fund and to the Highway Users Tax Fund. The first bill is a one-time transfer of \$10 million from the General Fund to the Capital Construction Fund and then into the Highway Account of the Transportation Infrastructure Revolving Fund. The second bill requires the General Assembly to appropriate specified amounts from the General Fund to the Highway Users Tax Fund for the fiscal year beginning July 1, 2000, and each year thereafter. In fiscal year 2000-01, the initial moneys would be \$15 million, increasing incrementally in the amount of \$15 million per fiscal year until fiscal year 2013-14. The figure is then capped at \$200 million for succeeding years. Such appropriations shall be subject to the statutory restriction on state appropriations. The moneys appropriated to the Highway Users Tax Fund are allocated to the state, counties and municipalities in concert with an existing allocation formula of 60 percent to the state, 22 percent to counties, and 18 percent to municipalities. This proposed legislation was approved by the Legislative Council.

Recommendation. This proposed legislation, Bills C and E, was approved by the Legislation Council.

Colorado Intermountain Fixed Guideway Authority

The Chairman, Executive Director, and President of Transport Ventures provided an update of the Colorado Intermountain Fixed Guideway Authority. The entity was created as a direct response to the recommended vision strategies embodied in the I-70 Mountain Corridor Major Investment Study (MIS) conducted by the CDOT. The consensus of this study was reached during the public participation phase of the MIS to research the feasibility of a high-speed, elevated fixed-guideway system along I-70 from Denver to the Eagle County Airport. The financing of CIFGA is derived from the counties along the I-70 corridor. CIFGA's future goal is to produce a test program, consisting of one leg of the route, in order to prove that this would be a reliable alternative to the congested highway. The intent is to produce reasonably-priced, alternative means of transportation to attract both Colorado citizens and out-of-state tourists. CIFGA will be seeking a statewide vote to determine whether the voters believe this technology is feasible.

Denver Regional Council of Governments

The Executive Director of the Denver Regional Council of Governments presented the Council's regional plan which helps to identify transportation issues in the metro area. This local planning agency for the area is designated as the Metropolitan Planning Organization according to the Transportation Equity Act for the 21st Century (TEA-21). The purpose of this entity is to coordinate transportation issues with the federal, state and local agencies, and the RTD. It is a federal requirement that transportation projects are part of the Regional Transportation Plan which DRCOG adopts after coordinating with multiple agencies and governments. The plan must reflect an integrated, affordable, multi-modal transportation system that includes roadway improvements, transportation management actions, rapid transit, and bus service. It is a voluntary agency representing eight counties and forty municipalities.

SUMMARY OF RECOMMENDATIONS

As a result of the committee's activities, the following eight bills are recommended to the Colorado General Assembly.

Bill A — Continuing the Ignition Interlock Program

Bill A extends the voluntary ignition interlock probationary license program until January 1, 2001. It includes driving while ability impaired as an alcohol-related offense. If the offense is committed within five years after another alcohol-related offense, the offender is required to hold a restricted license requiring an ignition interlock device for one year. In addition, the bill permits a person who is required to have an ignition interlock restricted license for one year, but who does not own a motor vehicle, to obtain a restricted license without submitting a lease for an ignition interlock device. If a participant in the program drives a motor vehicle without an ignition interlock device, or attempts to circumvent the device, the penalty for the offender is increased to a Class 1 misdemeanor (i.e., six months imprisonment, or \$500, or both or a maximum of 18 months imprisonment, or \$5,000, or both). This requires a police officer to issue a citation, file an incident report, and confiscate the license.

As of January 1, 2001, the voluntary ignition interlock program is changed from a probationary license to a restricted license program. It establishes eligibility and ineligibility requirements for the voluntary restricted license and sets the length of the restriction before the person would be eligible for a new license. Any person violating these restrictions will have his or her license revoked.

This bill creates a Class 1 misdemeanor, which will result in additional fine revenues going to the General Fund. Therefore, this bill is assessed as having a state and local fiscal impact. In addition, there is a need for administrative personnel (1.4 FTE) and expenses (approximately \$62,000) for implementing the program.

Bill B — Modifying the Definition of School Bus

Bill B amends the current definition of school bus to include every motor vehicle which is owned by or under contract to a public or governmental agency, and operated for the transportation of children to or from school or any school-sponsored activities. It also includes privately owned and operated vehicles for compensation, but does not include informal or intermittent arrangements, such as sharing of gasoline expenses or car pooling. This change requires only those school buses that are required to bear the words "School Bus" on the front and rear of the vehicle to stop such a vehicle before crossing at grade of

any railroad tracks. Since the bill does not affect revenues or expenditures of the state or local school districts, the bill is assessed as having no fiscal impact. The number of traffic citations issued is not expected to change.

Bill C — Transferring Moneys to the Highway Account of the Transportation Infrastructure Revolving Fund for Fiscal Year 2000-01

This bill transfers an additional \$10 million out of the General Fund into the Capital Construction Fund, and then to the Highway Account of the Transportation Infrastructure Revolving Fund (TIRF), effective July 1, 2000. The moneys in the TIRF are to be used for providing assistance to public and private entities for the acquisition, improvement, or construction of highways, multimodal transportation, and intermodal transportation facilities in the state. This is a one-time transfer of moneys which will not count against TABOR limits.

Bill C is assessed as having a state and local fiscal impact. The state impact results from the transfer of General Fund moneys to the TIRF. The potential local impact is based upon loans being made from the TIRF to local governments.

Bill D — Revenues Received by the Regional Transportation District

Bill D expands the definition of "revenues" contained in the RTD Act to include moneys received in the form of grants or contributions from all public or private sources. The definition currently is limited to sales and operations revenues. Expanding this definition allows RTD to mirror the function of Transportation Revenue Anticipation Notes (TRANS) that the CDOT sought for its transportation projects. RTD would be able to pay off debt, particularly federal grants, with these new types of revenues. It has no effect, however, on TRANS.

By expanding this definition, RTD could avail itself of additional financing options, such as pledging federal moneys as a revenue source to repay its debt obligations. It is not known at this time whether RTD will pursue financing backed by additional federal revenues. Therefore, the bill is assessed as having a conditional fiscal impact.

Bill E — Appropriating Moneys From the General Fund to the Highway Users Tax Fund

This bill requires the General Assembly to appropriate funds from the General Fund to the Highway Users Tax Fund (HUTF) in increments of \$15 million until the appropriation is capped at \$200 million in fiscal year 2013-14. The amount remains at \$200 million for each succeeding year. This funding begins on July 1, 2000, and continues each fiscal year thereafter. These appropriations would be subject to the statutory restriction on state

appropriations. The bill also specifies that the moneys appropriated to the Highway Users Tax Fund would be allocated to the state, counties, and municipalities in concert with the existing allocation formula that provides 60 percent of said moneys to the state, 22 percent to the counties, and 18 percent to municipalities.

Bill E is assessed as having a fiscal impact with the appropriated amounts subject to the statutory limit on General Fund appropriations (i.e., the six-percent limit or the Arveschoug-Bird limit, Section 24-75-201.1, C.R.S.). In addition, the bill would also increase revenue to local governments through the HUTF distributions.

Bill F — Electronic Certificates of Title for Motor Vehicles

Under Bill F, the Director of the Department of Revenue is authorized to create rules for electronic record keeping to be conducted by county clerks and recorders for each county and the Denver Manager of Revenue. This legislation eliminates the paper trail method of handling transactions at the county clerk's offices, thereby advancing technology in the County Clerk's offices. It also allows for the following: electronic filing of Motor Vehicle Certificates of Title; filing of mortgages, refinancing of mortgages, and liens in an electronic format to be made in the electronic record. The bill requires that a transfer of title is necessary when selling or conveying the title of a vehicle.

This bill will reduce state revenues by approximately \$480,538 in fiscal year 2001-02. The reduction is due to a decrease in the fee (i.e., from \$25.00 to \$6.50) charged to motor vehicle dealers who apply for a certificate of title. In fiscal year 1998-99, there were 23,639 motor vehicle dealer applications for titles generating \$590,975. The forecast for title applications by motor vehicle dealers in fiscal year 2001-02 is 25,975. These fee revenues are credited to the Highway Users Tax Fund.

Bill G — Providing Proof of Motor Vehicle Insurance to the DOR

To resolve an inconsistency in motor vehicle registration requirements, the committee recommends Bill G. The bill expands the requirement that a person registering or renewing the registration of a motor vehicle with the DOR provide proof of a complying motor vehicle insurance policy, owner's policy, or certificate of self-insurance. Previously, light trucks that are sixteen thousand pounds empty weight (that are not insured through a commercial line of insurance) and sports utility vehicles classified as Class B personal property were inadvertently omitted from this requirement. The bill requires a proof of insurance certificate, insurance identification card, or other proof of insurance authorized by the department for these additional classes of vehicles. When registering or renewing the registration of a motor vehicle, the proofs are to specify that such insurance is in full force and effect for at least 30 days after the date of registration.

The bill affects county clerks and recorders by increasing the number of vehicles that must show proof of insurance. It also impacts the Department of Revenue, which expects

additional phone inquiries as a result of this bill. However, it is estimated that these costs are insignificant and can be absorbed within existing resources at both the state and local level. Therefore, the bill is assessed as having no fiscal impact.

Bill H — Recouping the Cost of Mailing Motor Vehicle License Plates

Bill H requires applicants for motor vehicle registration who wish to have their licence plates mailed to them to pay to the authorized agents of the DOR a reasonable fee to cover the actual shipping and handling costs. The bill allows the department's agents to collect and retain such a fee. This legislation is in response to recent legislation that requires the re-issuance of license plates to combat the possibility of illegal and/or duplicated license plates.

This bill is assessed as having a state and local fiscal impact. The state will incur costs associated with computer programming. The county clerks will incur the cost of mailing and will retain the fee revenue.

RESOURCE MATERIALS

The resource materials listed below were provided to the committee or developed by Legislative Council Staff during the course of the study. The summaries of meetings and attachments are available at the Division of Archives, 1313 Sherman Street, Denver. For a limited period of time, the meeting summaries and materials developed by Legislative Council Staff are available on our web site at:

http://www.state.co.us/gov_dir/leg_dir/lcsstaff/1999/99interim.htm.

Meeting Summaries	Topics Discussed
June 29, 1999	CDOT update on the Transportation Commission Action - 20 Year Resource Allocation Plan for the 7 th Pot Projects and Other State Transportation Budget Issues; Overview and Reorganization Activities in the Department of Revenue, including Ports of Entry, licensing issues, and Peak Performance Plan.
July 21, 1999	Colorado Intermountain Fixed Guideway Authority presentation regarding the advancements of high speed train systems comprised of train, track, and signaling technologies; Colorado Association of Transit Agencies on the role of transit agencies and Colorado's transit needs; Colorado State Patrol update; and the Regional Transportation District overview and budget.
August 16, 1999	Colorado Department of Transportation review of Statewide Transportation Process; E-470 Public Highway Authority update on budget and toll road usage; Denver Regional Council of Governments overview and planning reports; Colorado Motor Carriers Advisory Committee briefing on its purpose and organization; and the Colorado Mobility Coalition overview of transit needs.
September 8, 1999	Presentation of legislative proposals; Colorado Asphalt Pavement Association overview; and MetroNorth Chamber of Commerce review of "Transit Improvement Financing."
September 28, 1999	Final action on legislative bill requests and naming of bill sponsors.
October 19, 1999	Final discussion of legislative proposals and the naming of bill sponsors.

Reports

Reports provided to the committee:

Colorado Department of Transportation, Transportation Commission Action - 20 Year Resource Allocation Plan for the 7th Pot Projects, June 1999.

Colorado Department of Transportation, Transportation Planning Process, August 1999.

Colorado Intermountain Fixed Guideway Authority (CIFGA), Annual Progress Report, July 21, 1999.

Colorado Association of Transit Agencies, Presentation for the Transportation Legislation Review Committee, July 21, 1999.

Regional Transportation District, 1999 Amended RTD Budget, 1999 Accomplishments, Potential Legislative Proposals, July 21, 1999.

E-470 Public Highway Authority Annual Report to the Transportation Legislation Review Committee, (The 1999 Annual budget), E-470 Public Highway Authority, August 1999.

Denver Regional Council of Governments, Presentation to the TLRC, August 1999.

Bill A

BY SENATORS Dyer, Musgrave, and Powers;
also REPRESENTATIVES Gotlieb, Mace, May, and Swenson.

A BILL FOR AN ACT

CONCERNING THE IGNITION INTERLOCK PROGRAM.

Bill Summary

"Continue Ignition Interlock Program"

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Transportation Legislation Review Committee. Extends the repeal of the current voluntary ignition interlock probationary license program until January 1, 2001.

Includes driving while ability is impaired as an alcohol-related offense which, if committed within 5 years after another alcohol-related offense requires the defendant to hold a restricted license requiring an ignition interlock device for 1 year.

Repeals the requirement that a person convicted of driving under the influence who is not required to have an ignition interlock restricted license for 1 year must have the restricted license for 6 months.

Permits a person who is required to have an ignition interlock restricted license for 1 year and who is not the owner of a motor vehicle to obtain a restricted license without submitting a lease for an ignition interlock device.

For offenses relating to driving a motor vehicle without an ignition interlock device and circumventing or attempting to circumvent an ignition interlock device:

- Increases the penalty to a class 1 traffic misdemeanor;
- Requires a police officer issuing a citation for such a violation to immediately confiscate the license and to file an incident report;
- Prohibits the acceptance of a plea to another offense unless the prosecuting attorney represents that a prima facie case of the offense could not be proven at trial.

Effective January 1, 2001, changes the voluntary ignition interlock program from a probationary license to a restricted license program. Establishes eligibility and ineligibility requirements for the voluntary restricted license. Sets the length of the restriction as at least the time remaining before the person would be eligible for a new license.

Revokes the restricted license of anyone who violates the restrictions. Allows the restriction to be extended 1 year if a person attempts to start a vehicle while intoxicated 3 times within any 12-month period. Prohibits the operation of commercial vehicles while under the license restriction.

Relocates the requirement for monthly monitoring reports, rule making authority, and the definition of an approved device.

Makes conforming amendments.

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

SECTION 1. 42-2-126.1 (1.5) and (8), Colorado Revised Statutes, are amended to read:

42-2-126.1. Probationary licenses for persons convicted of alcohol-related driving offenses - ignition interlock devices - fees - interlock fund created - violations of probationary license - repeal. (1.5) No person who has been convicted on two or more occasions of an offense under section ~~42-4-1301(1)(a)~~ 42-4-1301 (1) (a), (1) (b), or (2) (a) for offenses committed within a period of five years shall be eligible for a probationary license pursuant to this section until such person's license has been revoked for a period of at least one year during which the person has no violations under this title.

(8) This section is repealed, effective ~~July 1, 2000~~ JANUARY 1, 2001.

SECTION 2. 42-2-125 (1) (g) and (2.4), Colorado Revised Statutes, are amended to read:

42-2-125. Mandatory revocation of license and permit. (1) The department shall immediately revoke the license or permit of any driver, minor

driver, or provisional driver upon receiving a record showing that such driver has:

(g) ~~In the case of an adult driver~~ Been twice convicted of any offense provided for in section 42-4-1301 (1) or (2) (a) for acts committed within a period of five years;

(II) In the case of a minor driver or a provisional driver, been convicted of ~~one or two offenses~~ AN OFFENSE under section 42-4-1301 (1) or (2) (a) committed while such driver was under twenty-one years of age;

(2.4) After the expiration of the period of revocation pursuant to this section and any subsequently imposed periods of revocation, any person whose license is revoked because of a violation of section 42-4-1301 (1) (a) or (2) (a) which violation occurred within five years after the date of a previous violation for which there was a conviction under section 42-4-1301 (1) (a) or (2) (a) UNDER SUBPARAGRAPH (I) OF PARAGRAPH (g) OR PARAGRAPH (i) OF SUBSECTION (1) OF THIS SECTION shall be required to have a restricted license pursuant to the provisions of section 42-2-132.5.

SECTION 3. 42-2-132 (2) (a) (IV), Colorado Revised Statutes, is amended to read:

42-2-132. Period of suspension or revocation. (2) (a) (IV) Any person whose license or privilege to drive a motor vehicle on the public highways has been suspended because such person has been convicted on two or more occasions of an offense under section 42-4-1301 (1) (a) or (2) (a) which offenses were committed within a period of five years REVOKED UNDER SECTION 42-2-125 (1) (g) (I) OR (1) (i) OR 42-2-203 WHERE THE REVOCATION WAS DUE IN PART TO A VIOLATION OF SECTION 42-4-1301 shall be required to

present an affidavit stating that the person has obtained at the person's own expense a signed lease agreement for the installation and use of an approved ignition interlock device, as defined in section 42-2-126.1 (6) 42-2-132.5 (6), in each motor vehicle on which the person's name appears on the registration and any other vehicle that the person may drive during the period of the restricted license and a copy of each signed lease agreement.

SECTION 4. 42-2-132.5 (1) and (2), Colorado Revised Statutes, are amended to read:

42-2-132.5. Restricted licenses following alcohol conviction.
(1) ~~Following the period of revocation pursuant to subsection (5) of this section or section 42-2-125 and any subsequently imposed period of revocation, any person who has been convicted on two or more occasions of an offense under section 42-4-1301 (1) (a) or (2) (a) which offenses were committed within a period of five years~~ THE FOLLOWING PERSONS shall be required to hold a restricted license pursuant to this section for at least one year prior to being eligible to obtain any other driver's license issued under this article:

(a) ANY PERSON WHO HAS BEEN CONVICTED ON TWO OR MORE OCCASIONS OF AN OFFENSE UNDER SECTION 42-4-1301 (1) (a) OR (2) (a) WHICH OFFENSES WERE COMMITTED WITHIN A PERIOD OF FIVE YEARS AND ONE OF THE OFFENSES OCCURRED ON OR AFTER JULY 1, 1999, AND ON OR BEFORE JUNE 30, 2000;

(b) ANY PERSON WHOSE PRIVILEGE TO DRIVE WAS REVOKED PURSUANT TO SECTION 42-2-125 (1) (g) (I) OR (1) (i) AND ONE OF THE OFFENSES GIVING RISE TO THE REVOCATION OCCURRED ON OR AFTER JULY 1, 2000;

(c) ANY PERSON WHOSE PRIVILEGE TO DRIVE WAS REVOKED UNDER SECTION 42-2-203 WHERE THE REVOCATION WAS DUE IN PART BECAUSE OF A VIOLATION OF 42-4-1301 AND ONE OF THE OFFENSES GIVING RISE TO THE REVOCATION OCCURRED ON OR AFTER JULY 1, 2000; OR

(d) ANY PERSON WHOSE PRIVILEGE TO DRIVE WAS REVOKED PURSUANT TO SUBSECTION (5) OF THIS SECTION.

~~(2) Following the period of revocation pursuant to subsection (5) of this section or section 42-2-125 and any subsequently imposed period of revocation, any person who has been convicted of an offense under section 42-4-1301 (1) (a) or (2) (a) which offense was not committed within a period of five years of an offense under section 42-4-1301 (1) (a) or (2) (a) shall be required to hold a restricted license pursuant to this section for at least six months prior to being eligible to obtain any other driver's license issued under this article.~~

SECTION 5. 42-2-132.5 (3), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

42-2-132.5. Restricted licenses following alcohol conviction.

(3) (a.5) (I) NOTWITHSTANDING THE REQUIREMENTS OF PARAGRAPH (a) OF THIS SUBSECTION (3), THE DEPARTMENT SHALL ISSUE A RESTRICTED LICENSE TO ANY PERSON WHO IS REQUIRED TO HOLD A RESTRICTED LICENSE PURSUANT TO SUBSECTION (1) OF THIS SECTION WHO IS NOT THE REGISTERED OWNER OR CO-OWNER OF A MOTOR VEHICLE IF THE PERSON SUBMITS AN AFFIDAVIT STATING THAT THE PERSON IS NOT THE OWNER OR CO-OWNER OF ANY MOTOR VEHICLE AND HAS NO ACCESS TO A MOTOR VEHICLE IN WHICH TO INSTALL AN APPROVED IGNITION INTERLOCK DEVICE.

(II) ANY RESTRICTED LICENSE ISSUED PURSUANT TO THIS PARAGRAPH (a.5) SHALL REQUIRE THAT IF THE LICENSE HOLDER BECOMES AN OWNER OR CO-OWNER OF A MOTOR VEHICLE OR OTHERWISE HAS ACCESS TO A MOTOR VEHICLE IN WHICH AN APPROVED IGNITION INTERLOCK DEVICE MAY BE INSTALLED, HE OR SHE SHALL SUBMIT TO THE DEPARTMENT A SIGNED LEASE AGREEMENT FOR THE INSTALLATION AND USE OF AN APPROVED IGNITION INTERLOCK DEVICE ON SUCH VEHICLE FOR A PERIOD EQUAL TO THE REMAINING PERIOD OF THE RESTRICTED LICENSE.

SECTION 6. 42-4-1301 (9) (g) (III) (A), Colorado Revised Statutes, is amended to read:

42-4-1301. Driving under the influence - driving while impaired - driving with excessive alcoholic content - tests - penalties - useful public service program - alcohol and drug driving safety program.

(9) (g) (III) (A) A person convicted of a violation of ~~paragraph (a)~~ PARAGRAPH (a) OR (b) of subsection (1) or of paragraph (a) of subsection (2) of this section, which violation occurred ON OR AFTER JULY 1, 2000, AND within five years after the date of a previous violation for which there was a conviction under ~~paragraph (a)~~ PARAGRAPH (a) OR (b) of subsection (1) or paragraph (a) of subsection (2) of this section, shall be required to obtain a restricted license pursuant to the provisions of section 42-2-132.5 for a period of not less than one year after reinstatement.

~~(B) A person convicted of a violation of paragraph (a) of subsection (1) or of paragraph (a) of subsection (2) of this section, which violation did not occur within five years after the date of a previous violation for which there was a conviction under paragraph (a) of subsection (1) or paragraph (a) of subsection~~

~~(2) of this section, shall be required to obtain a restricted license pursuant to the provisions of section 42-2-132.5 for a period of not less than six months after reinstatement.~~

SECTION 7. 42-2-116 (6), Colorado Revised Statutes, is amended, and the said 42-2-116 is further amended BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS, to read:

42-2-116. Restricted license. (6) (a) EXCEPT AS OTHERWISE PROVIDED IN PARAGRAPH (b) OF THIS SUBSECTION (6), any person who violates any provision of this section commits a class A traffic infraction. (b) ANY PERSON WHOSE PRIVILEGE TO DRIVE IS RESTRICTED TO THE OPERATION OF A MOTOR VEHICLE IN WHICH AN APPROVED IGNITION INTERLOCK DEVICE IS INSTALLED PURSUANT TO SECTION 42-2-132.5, WHO OPERATES A MOTOR VEHICLE OTHER THAN A MOTOR VEHICLE IN WHICH AN APPROVED IGNITION INTERLOCK DEVICE IS INSTALLED OR WHO CIRCUMVENTS OR ATTEMPTS TO CIRCUMVENT THE PROPER USE OF AN APPROVED IGNITION INTERLOCK DEVICE COMMITS A CLASS 1 TRAFFIC MISDEMEANOR.

(7) WHENEVER A PEACE OFFICER ISSUES A CITATION PURSUANT TO PARAGRAPH (b) OF SUBSECTION (6) OF THIS SECTION, THE PEACE OFFICER SHALL IMMEDIATELY CONFISCATE THE LICENSE, SHALL FILE AN INCIDENT REPORT ON A FORM PROVIDED BY THE DEPARTMENT, AND SHALL NOT PERMIT THE DRIVER TO CONTINUE TO OPERATE THE MOTOR VEHICLE.

(8) NO COURT SHALL ACCEPT A PLEA OF GUILTY TO ANOTHER OFFENSE FROM A PERSON CHARGED WITH A VIOLATION OF SUBSECTION (6) (a) OF THIS SECTION; EXCEPT THAT THE COURT MAY ACCEPT A PLEA OF GUILTY TO ANOTHER OFFENSE UPON A GOOD FAITH REPRESENTATION BY THE

PROSECUTING ATTORNEY THAT THE ATTORNEY COULD NOT ESTABLISH A PRIMA FACIE CASE IF THE DEFENDANT WERE BROUGHT TO TRIAL ON THE OFFENSE.

SECTION 8. 42-2-132.5 (3), (4) (c), and (5), Colorado Revised Statutes, are amended, and the said 42-2-132.5 is further amended BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS, to read:

42-2-132.5. Mandatory and voluntary restricted licenses following alcohol conviction - repeal. (1.5) (a) A PERSON WHOSE PRIVILEGE TO DRIVE HAS BEEN REVOKED FOR MORE THAN ONE YEAR BECAUSE OF A VIOLATION OF ANY PROVISION OF SECTION 42-4-1301 (1) (a), (1) (b), OR (2) OR HAS BEEN REVOKED FOR MORE THAN ONE YEAR UNDER ANY PROVISION OF SECTION 42-2-126 MAY VOLUNTARILY APPLY FOR AN EARLY REINSTATEMENT WITH A RESTRICTED LICENSE UNDER THE PROVISIONS OF THIS SECTION AFTER THE PERSON'S PRIVILEGE TO DRIVE HAS BEEN REVOKED FOR ONE YEAR. THE RESTRICTIONS IMPOSED PURSUANT TO THIS SECTION SHALL REMAIN IN EFFECT FOR THE LONGER OF ONE YEAR OR THE TOTAL TIME PERIOD REMAINING ON THE LICENSE RESTRAINT PRIOR TO EARLY REINSTATEMENT.

(b) (1) TO BE ELIGIBLE FOR EARLY REINSTATEMENT WITH A RESTRICTED LICENSE PURSUANT TO THIS SUBSECTION (1.5), A PERSON MUST HAVE SATISFIED ALL CONDITIONS FOR REINSTATEMENT IMPOSED BY LAW INCLUDING TIME PERIODS FOR NON-ALCOHOL-RELATED RESTRAINTS; EXCEPT THAT A PERSON WHOSE LICENSE WAS RESTRAINED PURSUANT TO SECTION 42-2-138 MAY BE ELIGIBLE FOR EARLY REINSTATEMENT UNDER THIS SECTION SO LONG AS THE RESTRAINT WAS CAUSED IN PART BY DRIVING ACTIVITY OCCURRING AFTER AN ALCOHOL-RELATED OFFENSE AND THE LENGTH OF ANY

LICENSE RESTRICTION UNDER THIS SECTION INCLUDES THE PERIOD OF RESTRAINT UNDER SECTION 42-2-138.

(II) BEFORE BEING ELIGIBLE FOR EARLY REINSTATEMENT WITH A RESTRICTED LICENSE UNDER THIS SECTION, A PERSON MUST PROVIDE PROOF OF FINANCIAL RESPONSIBILITY TO THE DEPARTMENT PURSUANT TO THE REQUIREMENTS OF THE "MOTOR VEHICLE FINANCIAL RESPONSIBILITY ACT", ARTICLE 7 OF THIS TITLE. SUCH PERSON MUST MAINTAIN SUCH PROOF OF FINANCIAL RESPONSIBILITY WITH THE DEPARTMENT FOR THE LONGER OF THREE YEARS OR THE PERIOD THAT THE PERSON'S LICENSE IS RESTRICTED UNDER THIS SECTION.

(c) NO PERSON WHO HAS BEEN DESIGNATED AN HABITUAL OFFENDER UNDER THE PROVISIONS OF SECTION 42-2-202 FOR ANY OFFENSE OTHER THAN A VIOLATION OF SECTION 42-4-1301, 42-2-138, OR 42-4-1401 SHALL BE ELIGIBLE FOR A RESTRICTED LICENSE PURSUANT TO THIS SUBSECTION (1.5).

(d) (I) ANY PERSON WHO WAS ISSUED A PROBATIONARY LICENSE REQUIRING THE USE OF AN APPROVED IGNITION INTERLOCK DEVICE PRIOR TO JANUARY 1, 2001, IS ELIGIBLE FOR EARLY REINSTATEMENT WITH A RESTRICTED LICENSE PURSUANT TO THIS SUBSECTION (1.5). SUCH A PROBATIONARY LICENSE SHALL REMAIN IN EFFECT UNTIL THE NEXT ANNUAL PROBATIONARY LICENSE RENEWAL HEARING. BASED UPON FINDINGS AT THE HEARING, INCLUDING AGGRAVATING AND MITIGATING FACTORS, THE HEARING OFFICER MAY ORDER THAT THE PERIOD OF RESTRICTION BE:

(A) EQUAL TO THE PERIOD OF TIME THAT THE PERSON WAS TO HAVE A PROBATIONARY LICENSE;

(B) LESS THAN THE PERIOD OF TIME THAT THE PERSON WAS TO HAVE A PROBATIONARY LICENSE, BUT THE PERIOD OF TIME THAT THE PERSON HAS HELD A PROBATIONARY LICENSE AND A RESTRICTED LICENSE SHALL NOT BE LESS THAN THE TOTAL PERIOD OF RESTRAINT REQUIRED PRIOR TO THE ISSUANCE OF THE PROBATIONARY LICENSE; OR

(C) EXTENDED FOR A PERIOD OF UP TO TWELVE MONTHS BEYOND THE PERIOD OF TIME THAT THE PERSON WAS TO HAVE A PROBATIONARY LICENSE.

(II) THIS PARAGRAPH (d) IS REPEALED, EFFECTIVE JULY 1, 2002.

(3) (a) The department shall issue a restricted license under this section if the department receives from the A person DESCRIBED IN SUBSECTION (1) OR (1.5) OF THIS SECTION an affidavit stating that the person has obtained at the person's own expense a signed lease agreement for the installation and use of an approved ignition interlock device ~~as defined in section 42-2-126.1(6)~~ in each motor vehicle on which the person's name appears on the registration and any other vehicle that the person may drive during the period of the restricted license. A copy of each signed lease agreement shall be attached to the affidavit.

(b) The terms of the restricted license shall include that the person shall not drive a motor vehicle other than a vehicle in which an approved ignition interlock device ~~as defined by section 42-2-126.1(6)~~ is installed.

(c) THE DEPARTMENT SHALL NOT ISSUE A LICENSE UNDER THIS SECTION THAT WOULD AUTHORIZE OPERATION OF A COMMERCIAL MOTOR VEHICLE AS DEFINED IN SECTION 42-2-402 (4) UNTIL THE RESTRICTION CREATED BY THIS SECTION HAS EXPIRED.

(4) (c) THE LEASING AGENCY FOR ANY APPROVED IGNITION INTERLOCK DEVICE SHALL PROVIDE MONTHLY MONITORING REPORTS FOR THE DEVICE TO THE DEPARTMENT TO MONITOR COMPLIANCE WITH THE PROVISIONS OF THIS SECTION. The leasing agency shall check the device at least once every sixty days to ensure that the device is operating and that there has been no tampering with the device. If the leasing agency detects that there has been tampering with the device, the leasing agency shall notify the department of that fact within five days of the detection.

(5) (a) ~~The license of any person who has obtained a restricted license under the provisions of this section who violates the terms of the restricted license or who tampers with or disconnects an interlock device shall be revoked for a period of not less than one year from the date that the department receives evidence that the terms of the restricted license have been violated or the interlock device has been tampered with or disconnected. The person shall be entitled to a hearing on the license revocation.~~ UPON RECEIPT OF A CONVICTION UNDER SECTION 42-2-116 (6) (b), THE DEPARTMENT SHALL REVOKE ANY LICENSE OF SUCH PERSON ISSUED UNDER THIS SECTION AND SHALL NOT REINSTATE THE LICENSE FOR A PERIOD OF THE LONGER OF ONE YEAR OR THE REMAINING PERIOD OF LICENSE RESTRAINT IMPOSED PRIOR TO THE ISSUANCE OF A LICENSE PURSUANT TO THIS SECTION. A PERSON SHALL BE ENTITLED TO A HEARING ON THE QUESTION OF WHETHER THE REVOCATION IS SUSTAINED AND THE LENGTH OF THE INELIGIBILITY.

(b) UPON RECEIPT OF A RECORD OTHER THAN A CONVICTION DESCRIBED IN PARAGRAPH (a) OF THIS SUBSECTION (5) FROM ANY COURT OR PEACE OFFICER INDICATING THAT ANY PERSON WHO IS SUBJECT TO THE

RESTRICTIONS OF THIS SECTION HAS OPERATED A MOTOR VEHICLE OTHER THAN A VEHICLE IN WHICH AN APPROVED IGNITION INTERLOCK DEVICE IS INSTALLED OR HAS CIRCUMVENTED OR ATTEMPTED TO CIRCUMVENT THE PROPER USE OF AN APPROVED IGNITION INTERLOCK DEVICE, THE DEPARTMENT MAY REVOKE ANY LICENSE OF SUCH PERSON ISSUED UNDER THIS SECTION AND NOT REINSTATE THE LICENSE FOR A PERIOD OF THE LONGER OF ONE YEAR OR THE REMAINING PERIOD OF LICENSE RESTRAINT IMPOSED PRIOR TO THE ISSUANCE OF A LICENSE PURSUANT TO THIS SECTION. A PERSON SHALL BE ENTITLED TO A HEARING ON THE QUESTION OF WHETHER THE LICENSE SHOULD BE REVOKED AND THE LENGTH OF THE INELIGIBILITY.

(c) IF A LEASE FOR AN APPROVED IGNITION INTERLOCK DEVICE IS TERMINATED FOR ANY REASON PRIOR TO THE EXPIRATION OF THE PERIOD OF THE RESTRICTION AND NO OTHER SUCH LEASE HAS BEEN PROVIDED BY THE LICENSEE, THE DEPARTMENT SHALL NOTIFY THE LICENSEE THAT THE LICENSE SHALL BE SUSPENDED UNLESS AND UNTIL A NEW SIGNED LEASE AGREEMENT FOR THE REMAINING PERIOD OF THE RESTRICTION IS FILED WITH THE DEPARTMENT.

(d) IF THE MONTHLY MONITORING REPORTS REQUIRED BY PARAGRAPH (c) OF SUBSECTION (4) OF THIS SECTION SHOW THAT THE APPROVED IGNITION INTERLOCK DEVICE PREVENTED THE OPERATION OF THE VEHICLE DUE TO EXCESSIVE BLOOD ALCOHOL CONTENT IN THREE OF ANY TWELVE CONSECUTIVE REPORTING PERIODS, THE RESTRICTION ON THE PERSON'S LICENSE SHALL BE EXTENDED FOR AN ADDITIONAL TWELVE MONTHS AFTER THE EXPIRATION OF THE EXISTING RESTRICTION. THE DEPARTMENT SHALL NOTIFY THE PERSON THAT THE IGNITION INTERLOCK RESTRICTION PROVISION IS BEING EXTENDED

AND THAT ANY LICENSE SHALL BE SUSPENDED UNLESS THE PERSON PROVIDES A NEW SIGNED LEASE AGREEMENT FOR THE USE OF AN APPROVED IGNITION INTERLOCK DEVICE FOR THE EXTENDED PERIOD. THE PERSON SHALL BE ENTITLED TO A HEARING ON THE EXTENSION OF THE RESTRICTION. BASED UPON FINDINGS AT THE HEARING, INCLUDING AGGRAVATING AND MITIGATING FACTORS, THE HEARING OFFICE MAY SUSTAIN THE EXTENSION, RESCIND THE EXTENSION, OR REDUCE THE PERIOD OF EXTENSION.

(6) THE DEPARTMENT MAY PROMULGATE RULES TO IMPLEMENT THE PROVISIONS OF THIS SECTION.

(7) (a) FOR THE PURPOSES OF THIS SECTION, "APPROVED IGNITION INTERLOCK DEVICE" MEANS A DEVICE APPROVED BY THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT THAT IS INSTALLED IN A MOTOR VEHICLE AND THAT MEASURES THE BREATH ALCOHOL CONTENT OF THE DRIVER BEFORE A VEHICLE IS STARTED AND THAT PERIODICALLY REQUIRES ADDITIONAL BREATH SAMPLES DURING VEHICLE OPERATION. THE DEVICE MAY NOT ALLOW A MOTOR VEHICLE TO BE STARTED OR TO CONTINUE NORMAL OPERATION IF THE DEVICE MEASURES AN ALCOHOL LEVEL ABOVE THE LEVEL ESTABLISHED BY THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT.

(b) THE STATE BOARD OF HEALTH MAY PROMULGATE RULES TO IMPLEMENT THE PROVISIONS OF THIS SUBSECTION (7) CONCERNING APPROVED IGNITION INTERLOCK DEVICES.

SECTION 9. 42-2-205 (1) (a), Colorado Revised Statutes, is amended to read:

42-2-205. Prohibition. (1) No license to operate motor vehicles in this state shall be issued to an habitual offender, nor shall an habitual offender operate a motor vehicle in this state:

(a) For a period of five years from the date of the order of the department finding such person to be an habitual offender EXCEPT AS MAY BE PERMITTED BY SECTION 42-2-132.5; and

SECTION 10. 42-2-138 (1) (b), (1) (e), and (3), Colorado Revised Statutes, are amended to read:

42-2-138. Driving under restraint - penalty. (1) (b) Upon a second or subsequent conviction under paragraph (a) of this subsection (1) within five years after the first conviction thereunder, in addition to the penalty prescribed in said paragraph (a) of this subsection (1), EXCEPT AS MAY BE PERMITTED BY SECTION 42-2-132.5, the defendant shall not be eligible to be issued a driver's, minor driver's, or provisional driver's license or extended any driving privilege in this state for a period of three years after such second or subsequent conviction.

(e) Upon a second or subsequent conviction under subparagraph (I) of paragraph (d) of this subsection (1) within five years after the first conviction thereunder, in addition to the penalty prescribed in said subparagraph (I), EXCEPT AS MAY BE PERMITTED BY SECTION 42-2-132.5, the defendant shall not be eligible to be issued a driver's, minor driver's, or provisional driver's license or extended any driving privilege in this state for a period of four years after such second or subsequent conviction.

(3) The department, upon receiving a record of conviction or accident report of any person for an offense committed while operating a motor vehicle,

shall immediately examine its files to determine if the license or operating privilege of such person has been suspended or revoked. If it appears that said offense was committed while the license or operating privilege of such person was revoked or suspended, EXCEPT AS PERMITTED BY SECTION 42-2-132.5, the department shall not issue a new license or grant any driving privileges for an additional period of one year after the date such person would otherwise have been entitled to apply for a new license or for reinstatement of a suspended license and shall notify the district attorney in the county where such violation occurred and request prosecution of such person under subsection (1) of this section.

SECTION 11. Effective date - applicability. Sections 1 through 7 and sections 11 and 12 of this act shall take effect July 1, 2000, and shall apply to offenses committed on or after said date. Sections 8 through 10 of this act shall take effect January 1, 2001, and shall apply to applications received on and after said date.

SECTION 12. 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.

DRAFT

Bill A

are often pled down to DWAI and do not trigger the interlock requirement. The effect of the change is to require participation for one year in the interlock program for any person convicted of more than one alcohol-driving offenses in a five-year period.

Third, the bill increases the penalty for violating the terms of an interlock-restricted license, such as driving a vehicle without an ignition interlock device or circumventing an interlock device. The penalty for circumventing the interlock system is a class 1 traffic misdemeanor carrying a minimum penalty of ten days and \$100 fine and a maximum penalty of one year and \$1,000 fine. If a violation occurs, law enforcement officers are required to immediately confiscate the driver's license, file an incident report with the Department of Revenue, and not allow the driver to continue driving. Also, a District Attorney is not allowed to plead this offense down to another offense unless the DA represents that he or she cannot prove a prima facie case. The bill requires the department to revoke the license of anyone convicted of circumventing an interlock device and allows revocation for a person charged, but not convicted. A person whose license is revoked under these circumstances may request a hearing.

Fourth, the bill sets forth conditions for early reinstatement of a restricted drivers license with an interlock device. To be eligible for this voluntary part of the program, a person must have their license suspended for more than one year and they must wait one year before the early reinstatement. Also, they must satisfy all the other requirements for reinstatement and maintain proof of insurance during the time of the restricted license. Habitual offenders are not eligible for early reinstatement.

Finally, the bill makes other changes related to the interlock program. The department must suspend a person's license if the lease for the device is terminated. Vendors that lease interlock devices are required to report monthly to the Department of Revenue. If the vendor reports that an individual has attempted to start a vehicle while intoxicated during three of any consecutive 12 reporting periods, the restriction is extended for 12 months. The bill prohibits the issuance of restricted licenses for operating commercial vehicles. Persons that don't own or have access to a car can still get a restricted license under the bill. However, if such a person gains access to a car, an interlock device must be installed. The Department of Revenue and the State Board of Health are authorized to set rules to implement the bill.

State Revenues

The bill is expected to increase state revenues by **\$352,248 in FY 2000-01** and **\$704,496 in FY 2001-02**. These revenues, described in greater detail below, will come from two sources: fees paid by individuals for interlock-restricted licenses and fees paid by leasing companies for interlock devices. It is estimated that 19,128 persons would be eligible to install an interlock device in FY 2000-01. Of these, approximately 14,677 would be required to lease an interlock system under the bill, while the remaining 4,451 are required to lease under current law.

DRAFT

Bill A

License fees are estimated to increase \$110,078 in FY 2000-01 and \$220,155 in FY 2001-02 (14,677 people x \$15 fee = \$220,155; \$110,078 for a half year). Revenue from the license fee is credited to the Highway Users Tax Fund (HUTF) and distributed to the state, counties, and municipalities. Device fees, which are paid by companies that install and lease interlock devices, are estimated to increase \$242,171 in FY 2000-01 and \$484,341 in FY 2001-02 (14,677 devices x \$33 fee = \$484,341; \$242,171 for a half year). Revenue from the device fee is credited to the Interlock Cash Fund.

The bill also adds a penalty for violating the restricted license statute, if the violation involves circumventing the interlock device or driving a vehicle without an interlock device. The violation is considered at class 1 traffic misdemeanor. An unknown amount of additional fine revenue is expected because of this provision in the bill.

State Expenditures

The Interlock Cash Fund, which consists of revenue from the \$33 interlock device fee, is used to cover the operational costs of the program by the Department of Revenue and the Department of Public Health and Environment. (The Department of Revenue administers the program; the Department of Public Health and Environment approves the devices before they can be installed.) As noted above, the bill is expected to increase the revenue from this fee by \$242,171 in FY 2000-01 and \$484,341 in FY 2001-02. Of this amount, the Department of Revenue will require **\$31,974 in FY 2000-01 and \$63,947 each year thereafter** to cover the costs of producing and issuing interlock-restricted licenses and printing materials. The department may also face increased operating costs for additional hearings.

The department will issue approximately 14,677 interlock-restricted licenses annually, and half that amount (7,339) in FY 2000-01. To issue these licenses in FY 2000-01, the department will employ 0.7 FTE at a cost of \$14,247 (7,339 licenses/ 5 licenses per hour = 1,468 hours; 1,468 hours/ 2080 hours per FTE = 0.7 FTE), representing a one-half year impact. In FY 2001-02 and thereafter, the program will require 1.4 FTE at a cost of \$28,493 annually. The cost of actually producing the licenses each year is estimated to be \$30,381 (14,677 licenses x 2.07 each = \$30,381); in FY 2000-01 the impact will be half this amount, or \$15,191. The department will also print 14,000 affidavit forms annually for law enforcement officers to complete when an individual violates the terms of the restricted license, at an annual cost of \$1,412. In FY 2000-01, half-year impact will cost \$706 for 7,000 forms.

The bill also prohibits District Attorneys from pleading an interlock offense down to another offense unless the DA represents that he or she cannot prove a prima facie case. This may increase the number of cases going to trial that would otherwise have been resolved by a plea disposition under current law, potentially creating a fiscal impact on trial courts. However, this potential impact is unknown and therefore cannot be quantified at this time.

DRAFT

Bill A

Expenditures Not Shown

Pursuant to the Joint Budget Committee's budget policies, the following expenditures have not been included in this fiscal note:

- health and life insurance costs;
- short-term disability costs;
- inflationary cost factors;
- leased space; and
- indirect costs.

Other State Impact

This bill increases state revenue by \$352,248 in FY 2000-01 and \$704,496 in FY 2001-02, which will increase the amount of excess state revenue required to be refunded to taxpayers under TABOR.

Local Government Impact

This bill increases HUTF revenue \$110,078 in FY 2000-01 and \$220,155 in FY 2001-02 and years thereafter. Of this amount, counties receive 22 percent and municipalities receive 18 percent.

State Appropriations

This fiscal note implies that the Department of Revenue would require an appropriation of \$31,974 from the Interlock Cash Fund and 0.7 FTE in FY 2000-01 to implement the provisions of the bill.

Fee Impact on Individuals, Families or Business

Pursuant to Section 2-2-322, C.R.S., which requires legislative service agency review of legislative measures which include the creation or increase of any fee collected by a state agency, the following analysis is provided.

DRAFT

Bill A

FEE IMPACT ON INDIVIDUALS AND BUSINESS					
Type of Fee	Current Fee	Proposed Fee	Fee Change	Number of Affected Individuals or Business	Total Fee Impact
Interlock-Restricted License Fee	\$15	\$15	\$0	14,677	\$220,155
Interlock Device Fee	\$33	\$33	\$0	14,677	\$484,341
TOTAL					\$704,496

Departments Contacted

Revenue Public Health and Environment Public Defender Judicial

Bill B

BY SENATORS Musgrave, Dyer, and Powers;
also REPRESENTATIVES Mace, Gotlieb, May, Swenson, and S. Williams.

A BILL FOR AN ACT

CONCERNING REGULATION OF SCHOOL BUSES.

Bill Summary

"Regulation of School Buses"

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Transportation Legislation Review Committee. Clarifies the definition of school bus to include leased vehicles and vehicles used in transporting children to school-sponsored activities.

Limits the provisions of the statute which requires certain vehicles to stop at railroad crossings to apply only to those school buses required to have school bus markings and visual signal lights.

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

SECTION 1. 42-1-102 (88), Colorado Revised Statutes, is amended to read:

42-1-102. Definitions. As used in articles 1 to 4 of this title, unless the context otherwise requires:

(88) "School bus" means every motor vehicle which is owned by OR UNDER CONTRACT TO a public or governmental agency and operated for the transportation of children to or from school OR ANY SCHOOL-SPONSORED ACTIVITIES, or which is privately owned and operated for compensation but it does not include informal or intermittent arrangements, such as sharing of

actual gasoline expense or participation in a car pool, for the transportation of children to or from school OR ANY SCHOOL-SPONSORED ACTIVITIES.

SECTION 2. 42-4-707 (1) and (5), Colorado Revised Statutes, are amended to read:

42-4-707. Certain vehicles must stop at railroad grade crossings.

(1) Except as otherwise provided in this section, the driver of any motor vehicle carrying more than six passengers for hire, or of any school bus, AS DEFINED IN PARAGRAPH (b) OF SUBSECTION (5) OF THIS SECTION, carrying any schoolchild or of any vehicle carrying hazardous materials which is required to be placarded in accordance with regulations issued pursuant to section 42-20-108, before crossing at grade any tracks of a railroad, shall stop such vehicle within fifty feet but not less than fifteen feet from the nearest rail of such railroad and while so stopped shall listen and look in both directions along such track for any approaching train and for signals indicating the approach of a train and shall not proceed until the driver can do so safely. After stopping as required in this section and upon proceeding when it is safe to do so, the driver of any said vehicle shall cross only in such gear of the vehicle that there will be no necessity for changing gears while traversing such crossing, and the driver shall not manually shift gears while crossing the tracks.

(5) For the purposes of this section:

(a) The definition of hazardous materials shall be the definition contained in the rules ~~and regulations~~ adopted by the chief of the Colorado state patrol pursuant to section 42-20-108.

(b) "SCHOOL BUS" MEANS ONLY THOSE SCHOOL BUSES THAT ARE REQUIRED TO BEAR ON THE FRONT AND REAR OF SUCH SCHOOL BUS THE WORDS

"SCHOOL BUS" AND DISPLAY VISUAL SIGNAL LIGHTS PURSUANT TO SECTION
42-4-1903 (2) (a).

SECTION 3. 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.

DRAFT

Bill B

Colorado Legislative Council Staff
NO FISCAL IMPACT

Drafting Number: LLS 00-0146
Prime Sponsor(s): Sen. Musgrave
Rep. Mace

Date: November 17, 1999
Bill Status: Transportation Legislation Review
Committee
Fiscal Analyst: Chris Ward (303-866-5834)

TITLE: CONCERNING REGULATION OF SCHOOL BUSES.

Summary of Assessment

This bill clarifies the definition of school bus to include leased vehicles and vehicles used in transporting children to school-sponsored activities. The bill also makes changes to the statute requiring certain vehicles to stop at railroad crossings. Under the bill, only school buses required to have school bus markings and visual signal lights must stop at railroad crossings. The bill does not affect revenues or expenditures of the state or local school districts. Therefore, the bill is assessed as having no fiscal impact. The bill would become effective upon signature of the Governor.

Departments Contacted

Education Revenue Public Safety

Bill C

BY REPRESENTATIVES May, Mace, and Swenson;
also SENATOR Powers.

A BILL FOR AN ACT

CONCERNING A ONE-TIME TRANSFER OF MONEYS TO THE HIGHWAY ACCOUNT
OF THE TRANSPORTATION INFRASTRUCTURE REVOLVING FUND FOR
FISCAL YEAR 2000-01.

Bill Summary

"Transfer Of Moneys To TIRF"

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Transportation Legislation Review Committee. Directs that an additional \$10 million be transferred out of the general fund and into the capital construction fund, on a one-time basis, for the fiscal year commencing July 1, 2000. Further directs that such moneys be transferred from the capital construction fund to the highway account of the transportation infrastructure revolving fund, effective July 1, 2000, which fund is an existing fund created in the state treasury pursuant to legislation enacted in 1998.

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

SECTION 1. 24-75-302 (2) (m), Colorado Revised Statutes, is amended to read:

24-75-302. Capital construction fund - capital assessment fees - calculation. (2) As of July 1, 1988, and July 1 of each year thereafter through July 1, 2002, a sum as specified in this subsection (2) shall accrue to the capital construction fund. The state treasurer and the controller shall transfer such

sum out of the general fund and into the capital construction fund as moneys become available in the general fund during the fiscal year beginning on said July 1. Transfers between funds pursuant to this subsection (2) shall not be deemed to be appropriations subject to the limitations of section 24-75-201.1. The amount which shall accrue pursuant to this subsection (2) shall be as follows:

(m) (I) On July 1, 2000, one hundred TEN million dollars, plus one hundred eighty-four thousand ninety dollars pursuant to H.B. 97-1186; plus four hundred seventy-eight thousand six hundred thirty-four dollars pursuant to H.B. 97-1077, enacted at the first regular session of the sixty-first general assembly; plus twelve thousand two hundred seventeen dollars pursuant to S.B. 98-021, enacted at the second regular session of the sixty-first general assembly; plus seventy-one thousand two hundred seven dollars pursuant to H.B. 98-1160, enacted at the second regular session of the sixty-first general assembly;

(II) OF THE AMOUNT THAT ACCRUES TO THE CAPITAL CONSTRUCTION FUND PURSUANT TO SUBPARAGRAPH (I) OF THIS PARAGRAPH (m), TEN MILLION DOLLARS SHALL BE TRANSFERRED TO THE HIGHWAY ACCOUNT OF THE TRANSPORTATION INFRASTRUCTURE REVOLVING FUND CREATED IN THE STATE TREASURY PURSUANT TO SECTION 43-1-113.5, C.R.S.

SECTION 2. 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.

DRAFT

Bill C

Colorado Legislative Council Staff
**STATE and LOCAL
FISCAL IMPACT**

Drafting Number: LLS 00-0150
Prime Sponsor(s): Rep. May
Sen. Powers

Date: November 17, 1999
Bill Status: Transportation Legislation Review
Committee
Fiscal Analyst: Chris Ward (303-866-5834)

TITLE: CONCERNING A ONE-TIME TRANSFER OF MONEYS TO THE HIGHWAY ACCOUNT OF THE TRANSPORTATION INFRASTRUCTURE REVOLVING FUND FOR FISCAL YEAR 2000-01.

Fiscal Impact Summary	FY 2000/2001	FY 2001/2002
State Revenues		
General Fund		
Cash Fund Exempt	\$10,000,000	
State Expenditures		
General Fund - Transfer	\$10,000,000	
Cash Fund Exempt	\$10,000,000	
FTE Position Change	0.0 FTE	0.0 FTE
Other State Impact: None		
Effective Date: Upon signature of the Governor.		
Appropriation Summary for FY 2000-2001: None		
Local Government Impact: Increased availability of transportation loans for local governments.		

Summary of Legislation

This bill makes an additional \$10 million available for highway construction loans from the Transportation Infrastructure Revolving Loan Fund. The bill directs that the money be transferred from the General Fund to the Capital Construction Fund and then to the Highway Account of the Transportation Infrastructure Revolving Fund. The transfer would be effective for FY 2000-01 only.

State Revenues

The bill transfers \$10 million from the General Fund to the Capital Construction Fund and then to the Highway Account of the Transportation Infrastructure Revolving Fund in FY 2000-01.

DRAFT

Bill C

Under current law, the revolving fund may include appropriations from the General Assembly and grants from federal, state, or private sources. Currently, the fund consists of state and federal moneys.

State Expenditures

The Department of Transportation administers the Transportation Infrastructure Revolving Fund, which is also referred to as the Colorado Department of Transportation's State Infrastructure Bank or COSIB. Loans are made from the revolving fund at the direction of the Transportation Commission. Moneys in the revolving fund are also used to pay the department's administrative costs of reviewing and processing applications, as well as the costs associated with filing civil actions for failure to repay loans. In 1999, the department approved two loans for a total \$400,000. The additional \$10 million made available for loans by the bill may increase the number of loan applications submitted, but this is additional workload is expected to be absorbed within existing resources.

Local Government Impact

Moneys from the Transportation Infrastructure Revolving Fund may be loaned to cities and counties to help pay for eligible transportation construction projects. Eligible projects include highway construction, road resurfacing, and intersection improvements and preference is given for projects that have strong financial support and quicker repayment schedules. Loan applicants are typically sponsors of highway or intermodal projects, and can be either public entities (such as cities, counties, or special districts), private corporations, or public-private partnerships.

In 1999, revolving fund loans provided a total of \$400,000 to local government highway construction projects in Colorado. Interest rates on the loans are indexed to municipal revenue bond rates. Interest payments may be delayed for up to two years, but interest is never forgiven and the program does not offer interest-free loans. The maximum term for repaying any loan is 10 years. New loans are made using funds repaid from previous loans.

State Appropriations

This fiscal note implies that the Department of Transportation would require an appropriation of \$10 million cash funds exempt from the Highway Account of the Transportation Infrastructure Revolving Fund in FY 2000-01.

Departments Contacted

Transportation

Treasury

Bill D

BY REPRESENTATIVE S. Williams;
also SENATOR Dyer.

A BILL FOR AN ACT

CONCERNING REVENUES RECEIVED BY THE REGIONAL TRANSPORTATION
DISTRICT.

Bill Summary

"RTD Revenues"

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Transportation Legislation Review Committee. Expands the definition of "revenues" contained in the regional transportation district act, which is currently limited to sales tax and operations revenues and does not include moneys received in the form of federal grants, to include moneys received in the form of grants or contributions from all public or private sources. Changes references from "net revenues" to "revenues" in that section of the act concerning the district's ability to issue debt instruments pledged against district funds. Repeals the definition of "net revenues" in the act.

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

SECTION 1. 32-9-103 (8) and (13), Colorado Revised Statutes, are amended to read:

32-9-103. Definitions. As used in this article, unless the context otherwise requires:

(8) ~~"Net revenues" means the revenues after the deduction of operation and maintenance expenses.~~

(13) "Revenues" means the tolls, fees, rates, charges, or other income and revenues derived from the operation of the mass transportation system of the district, **and** MONEYS RECEIVED IN THE FORM OF GRANTS OR CONTRIBUTIONS FROM ALL SOURCES, PUBLIC OR PRIVATE, income derived from investments by the district, AND ANY COMBINATION OF THE FOREGOING.

SECTION 2. 32-9-119 (1) (m), Colorado Revised Statutes, is amended to read:

32-9-119. Additional powers of district. (1) In addition to any other powers granted to the district in this article, the district has the following powers:

(m) To fix and from time to time increase or decrease the revenues for services and facilities provided by the district; to pledge ~~net~~ revenues for the payment of special district obligation bonds ~~which~~ THAT have been issued in accordance with this article; and to enforce the collection of such revenues;

SECTION 3. 32-9-120 (2), Colorado Revised Statutes, is amended to read:

32-9-120. Levy of taxes - limitations. (2) Annually, the board shall determine the amount of money necessary to be raised by taxation for the coming year and shall fix a rate of levy, subject to the provisions of subsection (1) of this section, which rate when levied upon every dollar of valuation for assessment of taxable property within the district, together with any other unencumbered revenues and moneys of the district, shall raise that sum necessary to pay in full all interest and principal on securities of the district, except special obligations payable solely from the ~~net~~ revenues of the district, and to pay, to the extent permitted by this section, all other obligations of the

district ~~which~~ THAT the district can pay under this article with taxes coming due within the coming year, but excluding any special obligations.

SECTION 4. 32-9-121, Colorado Revised Statutes, is amended to read:

32-9-121. Levies to cover deficiencies. In the event that the sum produced from general ad valorem property tax levies totaling less than the maximum levy authorized by section 32-9-120 (1), together with any unencumbered revenues and moneys of the district, are insufficient to pay, when due, installments on contracts and securities of the district and interest thereon and to pay defaults and deficiencies, the board shall make such additional levies of taxes as may be necessary, subject to the provisions and limitations of section 32-9-120 (1), until such contracts and securities and interest thereon are fully paid. In no case shall the mill levy exceed one-half mill. No levies shall be made pursuant to this section to pay any amount of special obligations of the district payable solely from sales taxes and the net revenues, or a combination thereof, of the district.

SECTION 5. 32-9-128, Colorado Revised Statutes, is amended to read:

32-9-128. Incurrence of special obligations. The district may borrow money in anticipation of the revenues and the sales tax proceeds of the district; but not the proceeds of any general ad valorem property taxes, and issue special obligation bonds to evidence the amount so borrowed. Any special obligation bonds or other obligations payable in whole or in part from the sales tax proceeds of the district or net revenues of the district, or both, may be issued

or incurred without an election, in anticipation of such sales tax proceeds or net revenues, or both.

SECTION 6. 32-9-131, Colorado Revised Statutes, is amended to read:

32-9-131. Pledge of proceeds of sales taxes and revenues. The payment of district securities may be secured by the specific pledge of the proceeds of sales taxes or net revenues, or both such taxes and net revenues, of the district, as the board may determine. Net Revenues or sales taxes pledged for the payment of any securities, as received by the district, shall immediately be subject to the lien of each such pledge, without any physical delivery thereof, any filing, or further act, and the lien of each such pledge and the obligation to perform the contractual provisions made in the authorizing resolution or other instrument relating thereto shall have priority over all other obligations and liabilities of the district, except as may be otherwise provided in this article or in said resolution or instrument, and subject to any prior pledges and liens theretofore created. The lien of each such pledge shall be valid and binding as against all persons having claims of any kind in tort, contract, or otherwise against the district, irrespective of whether such persons have notice thereof.

SECTION 7. 32-9-132, Colorado Revised Statutes, is amended to read:

32-9-132. Ranking among different issues. Except as otherwise provided in the authorizing resolution of the board, all securities of the same issue or series shall, subject to the prior rights of outstanding securities, claims, and other obligations, have a prior lien on the net revenues pledged for the payment of the securities.

SECTION 8. 32-9-133, Colorado Revised Statutes, is amended to read:

32-9-133. Ranking in same issue. All securities of the same issue or series shall be equally and ratably secured without priority by a lien on the net revenues of the district in accordance with the provisions of this article and the authorizing resolution, or other instrument relating thereto, except to the extent such resolution or other instrument shall otherwise expressly provide.

SECTION 9. 32-9-134, Colorado Revised Statutes, is amended to read:

32-9-134. Payment recital in securities. District securities issued under this article and constituting special obligations shall recite in substance that the securities and the interest thereon are payable solely from the net revenues of the district or the sales tax proceeds of the district, or both, as the case may be, pledged to the payment thereof.

SECTION 10. 32-9-136, Colorado Revised Statutes, is amended to read:

32-9-136. Limitation upon payment. The payment of securities shall not be secured by any encumbrance, mortgage, or other pledge of property of the district, other than net revenues, proceeds of sales taxes, or any other moneys pledged for the payment of the securities. No property of the district, subject to said exception, shall be liable to be forfeited or taken in payment of the securities.

SECTION 11. 32-9-144 (1) (c), Colorado Revised Statutes, is amended to read:

32-9-144. Remedies of security holders. (1) Subject to contractual limitations binding upon the holders or owners of any issue or series of securities or trustee therefor and subject to any prior or superior rights of others, any holder or owner of securities or trustee therefor shall have the right and power for the equal benefit and protection of all holders and owners of securities similarly situated:

(c) By action or suit in equity to have appointed a receiver, which receiver may enter and take possession of any revenues or any proceeds of taxes, or both, pledged for the payment of the securities, prescribe sufficient fees derived therefrom, and collect, receive, and apply all net revenues or other moneys pledged for the payment of the securities in the same manner as the district itself might do in accordance with the obligations of the district;

SECTION 12. 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.

DRAFT

Bill D

Colorado Legislative Council Staff

**LOCAL
CONDITIONAL FISCAL IMPACT**

No State General Fund Impact

Drafting Number: LLS 00-0141	Date: November 22, 1999
Prime Sponsor(s): Rep. Williams S. Sen. Dyer	Bill Status: Transportation Legislation Review Committee
	Fiscal Analyst: Chris Ward (303-866-5834)

TITLE: CONCERNING REVENUES RECEIVED BY THE REGIONAL TRANSPORTATION DISTRICT.

Fiscal Impact Summary	FY 2000/2001	FY 2001/2002
State Revenues General Fund		
State Expenditures General Fund		
FTE Position Change	0.0 FTE	0.0 FTE
Other State Impact: None		
Effective Date: Upon signature of the Governor.		
Appropriation Summary for FY 2000-2001: No appropriation is required.		
Local Government Impact: RTD may use additional sources of revenue to back future financing, potentially lowering the cost of that financing.		

Summary of Legislation

This bill expands the definition of revenues for the Regional Transportation District (RTD) to include contributions from all public and private sources, including federal moneys. By expanding this definition, RTD could avail itself of additional financing options, such as pledging federal moneys as a revenue source to repay its debt obligations. It is not known at this time whether RTD will pursue financing backed by additional federal revenues. Therefore the bill is assessed as having a conditional fiscal impact.

Local Government Impact

The bill expands the types of revenue which RTD may use as financial backing, allowing the district to pursue additional financing options. In addition, the inclusion of these additional revenue sources could lower the interest rate paid by RTD when it issues debt obligations, reducing RTD's cost of borrowing.

Departments Contacted

Regional Transportation District

Bill E

BY REPRESENTATIVES May, Gotlieb, Mace, Swenson, and S. Williams;
also SENATORS Powers, Dyer, and Musgrave.

A BILL FOR AN ACT

CONCERNING THE APPROPRIATION OF MONEYS FROM THE GENERAL FUND TO
THE HIGHWAY USERS TAX FUND.

Bill Summary

"Appropriations To Highway Users Tax Fund"

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Transportation Legislation Review Committee. Requires the general assembly to appropriate specified amounts from the general fund to the highway users tax fund for the fiscal year commencing on July 1, 2000, and each fiscal year thereafter as follows:

- \$15,000,000 for the 2000-01 fiscal year;
- \$30,000,000 for the 2001-02 fiscal year;
- \$45,000,000 for the 2002-03 fiscal year;
- \$60,000,000 for the 2003-04 fiscal year;
- \$75,000,000 for the 2004-05 fiscal year;
- \$90,000,000 for the 2005-06 fiscal year;
- \$105,000,000 for the 2006-07 fiscal year;
- \$120,000,000 for the 2007-08 fiscal year;
- \$135,000,000 for the 2008-09 fiscal year;
- \$150,000,000 for the 2009-10 fiscal year;
- \$165,000,000 for the 2010-11 fiscal year;
- \$180,000,000 for the 2011-12 fiscal year;
- \$195,000,000 for the 2012-13 fiscal year;
- \$200,000,000 for the 2013-14 fiscal year and each subsequent fiscal year.

Specifies that such appropriations shall be subject to the statutory restriction on state appropriations. Specifies that the moneys appropriated to

the highway users tax fund shall be allocated to the state, counties, and municipalities in accordance with an existing allocation formula that allocates 60% of such moneys to the state, 22% of such moneys to counties, and 18% of such moneys to municipalities.

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

SECTION 1. 43-4-203, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

43-4-203. Sources of revenue. (2) (a) IN ADDITION TO ANY OTHER APPROPRIATION, THE GENERAL ASSEMBLY SHALL APPROPRIATE MONEYS FROM THE GENERAL FUND TO THE HIGHWAY USERS TAX FUND AS FOLLOWS:

(I) FOR THE FISCAL YEAR COMMENCING ON JULY 1, 2000, FIFTEEN MILLION DOLLARS;

(II) FOR THE FISCAL YEAR COMMENCING ON JULY 1, 2001, THIRTY MILLION DOLLARS;

(III) FOR THE FISCAL YEAR COMMENCING ON JULY 1, 2002, FORTY-FIVE MILLION DOLLARS;

(IV) FOR THE FISCAL YEAR COMMENCING ON JULY 1, 2003, SIXTY MILLION DOLLARS;

(V) FOR THE FISCAL YEAR COMMENCING ON JULY 1, 2004, SEVENTY-FIVE MILLION DOLLARS;

(VI) FOR THE FISCAL YEAR COMMENCING ON JULY 1, 2005, NINETY MILLION DOLLARS;

(VII) FOR THE FISCAL YEAR COMMENCING ON JULY 1, 2006, ONE HUNDRED FIVE MILLION DOLLARS;

(VIII) FOR THE FISCAL YEAR COMMENCING ON JULY 1, 2007, ONE HUNDRED TWENTY MILLION DOLLARS;

(IX) FOR THE FISCAL YEAR COMMENCING ON JULY 1, 2008, ONE HUNDRED THIRTY-FIVE MILLION DOLLARS;

(X) FOR THE FISCAL YEAR COMMENCING ON JULY 1, 2009, ONE HUNDRED FIFTY MILLION DOLLARS;

(XI) FOR THE FISCAL YEAR COMMENCING ON JULY 1, 2010, ONE HUNDRED SIXTY-FIVE MILLION DOLLARS;

(XII) FOR THE FISCAL YEAR COMMENCING ON JULY 1, 2011, ONE HUNDRED EIGHTY MILLION DOLLARS;

(XIII) FOR THE FISCAL YEAR COMMENCING ON JULY 1, 2012, ONE HUNDRED NINETY-FIVE MILLION DOLLARS; AND

(XIV) FOR THE FISCAL YEAR COMMENCING ON JULY 1, 2013, AND EACH SUCCEEDING FISCAL YEAR, TWO HUNDRED MILLION DOLLARS.

(b) MONEYS APPROPRIATED BY THE GENERAL ASSEMBLY FROM THE GENERAL FUND TO THE HIGHWAY USERS TAX FUND PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (2) SHALL BE ALLOCATED BETWEEN THE STATE, COUNTIES, AND MUNICIPALITIES IN ACCORDANCE WITH THE PROVISIONS OF SECTION 43-4-205 (6) (b), C.R.S.

(c) MONEYS APPROPRIATED BY THE GENERAL ASSEMBLY FROM THE GENERAL FUND TO THE HIGHWAY USERS TAX FUND PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (2) SHALL BE DEEMED TO BE APPROPRIATIONS SUBJECT TO THE LIMITATIONS OF SECTION 24-75-201.1, C.R.S.

SECTION 2. 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.

DRAFT

Bill E

Colorado Legislative Council Staff
**STATE and LOCAL
FISCAL IMPACT**

Drafting Number: LLS 00-0149
Prime Sponsor(s): Rep. May
Sen. Powers

Date: November 17, 1999
Bill Status: Transportation Legislation
Review Committee
Fiscal Analyst: Chris Ward (303-866-5834)

TITLE: CONCERNING THE APPROPRIATION OF MONEYS FROM THE GENERAL FUND TO THE HIGHWAY USERS TAX FUND.

Fiscal Impact Summary	FY 2000/2001	FY 2001/2002
State Revenues		
General Fund		
Highway Users Tax Fund	\$15,000,000	\$30,000,000
State Expenditures		
General Fund - Transfer	\$15,000,000	\$30,000,000
Highway Users Tax Fund	\$15,000,000	\$30,000,000
FTE Position Change	0.0 FTE	0.0 FTE
Other State Impact: None		
Effective Date: Upon signature of the Governor.		
Appropriation Summary for FY 2000-2001: The Highway Users Tax Fund would require \$15 million in General Funds.		
Local Government Impact: Counties would receive 22 percent of the revenue, or \$3.3 million in FY 2000-01; cities would receive 18 percent of the revenue, or \$2.7 million, in FY 2000-01.		

Summary of Legislation

This bill appropriates moneys from the General Fund to the Highway Users Tax Fund (HUTF) beginning in FY 2000-01. The appropriation begins at \$15 million in FY 2000-01 and is increased \$15 million each year until it reaches \$200 million in FY 2013-14. The bill specifies that the appropriations will be subject to the statutory restriction on General Fund appropriations (Arveschoug-Bird limit), which limits increases in General Fund Appropriations to six percent over the prior year. The increased HUTF revenues will be distributed as follows: 60% to the state, 22% to counties, and 18% to cities.

DRAFT

State Revenues

The bill will increase HUTF revenue by the following amounts: \$15,000,000 for FY 2000-01; \$30,000,000 for FY 2001-02; \$45,000,000 for FY 2002-03; \$60,000,000 for FY 2003-04; \$75,000,000 for FY 2004-05; \$90,000,000 for FY 2005-06; \$105,000,000 for FY 2006-07; \$120,000,000 for FY 2007-08; \$135,000,000 for FY 2008-09; \$150,000,000 for FY 2009-10; \$165,000,000 for FY 2010-11; \$180,000,000 for FY 2011-12; \$195,000,000 for FY 2012-13; \$200,000,000 for FY 2013-14 and fiscal years thereafter. The allocation of these revenues is described in the Local Government Impact section, below.

The bill will also reduce the amount of interest earned on moneys in the General Fund and increase the amount of interest earned on moneys in the HUTF. Depending on when moneys are transferred and expended from the HUTF, this could be as much as \$825,000 in the first year.

State Expenditures

The bill directs that moneys be appropriated from the General Fund to the HUTF beginning in FY 2000-01. These appropriated amounts are subject to the statutory limit on General Fund appropriations, commonly referred to as the six-percent limit or the Arveschoug-Bird limit (Section 24-75-201.1, C.R.S.).

Local Government Impact

Cities and counties would receive additional HUTF distributions as a result of the increased HUTF revenues. Counties would receive 22 percent of the increase; cities would receive 18 percent of the increase. Table 1. illustrates the increased allocations to counties and municipalities.

Table 1. Increased HUTF Distributions under Bill E
(\$ in millions)

Fiscal Year	Total	State	County	Municipal
FY 2000-01	15.0	9.0	3.3	2.7
FY 2001-02	30.0	18.0	6.6	5.4
FY 2002-03	45.0	27.0	9.9	8.1
FY 2003-04	60.0	36.0	13.2	10.8
FY 2004-05	75.0	45.0	16.5	13.5
FY 2005-06	90.0	54.0	19.8	16.2
FY 2006-07	105.0	63.0	23.1	18.9
FY 2007-08	120.0	72.0	26.4	21.6
FY 2008-09	135.0	81.0	29.7	24.3
FY 2009-10	150.0	90.0	33.0	27.0
FY 2010-11	165.0	99.0	36.3	29.7
FY 2011-12	180.0	108.0	39.6	32.4
FY 2012-13	195.0	117.0	42.9	35.1
FY 2013-14 and thereafter	200.0	120.0	44.0	36.0

DRAFT

Bill E

State Appropriations

This fiscal note implies the Highway Users Tax Fund would require \$15 million in General Funds in FY 2000-01.

Departments Contacted

Transportation

Treasury

Bill F

BY SENATORS Powers, Musgrave, and Dyer;
also REPRESENTATIVES Swenson and Gotlieb.

A BILL FOR AN ACT

CONCERNING ELECTRONIC CERTIFICATES OF TITLE FOR MOTOR VEHICLES BY
COUNTY CLERKS.

Bill Summary

"Electronic Motor Vehicle Titles"

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Transportation Legislation Review Committee. Adds definitions of electronic record, file, and record to motor vehicle title certificate laws.

Allows the executive director of the department of revenue (director) to promulgate rules for electronic record keeping to be done by county clerk and recorders for each county and the Denver manager of revenue, as authorized agents. Allows for electronic filing of motor vehicle certificates of title. Allows for filing of mortgages, refinancing of mortgages, and liens in an electronic format. Allows for salvage distinction to be made in the electronic record.

Clarifies that a transfer of title is necessary when selling or conveying the title of a vehicle.

Allows for the presentation of a court order when title to a vehicle is conveyed by gift, death, or law.

Clarifies that authorized agents conduct the primary business related to certificates of title and maintain the electronic files. Authorizes agents to transfer electronic files to the director for maintenance of a centralized file. Reduces the fee for certificates of title obtained from the director to \$6.50.

Repeals obsolete provisions.

Provides for an effective date of July 1, 2001.

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.

(4.4) "FILE" MEANS THE CREATION OF OR ADDITION TO AN ELECTRONIC RECORD MAINTAINED FOR A CERTIFICATE OF TITLE BY AN AUTHORIZED AGENT, 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.

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 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.

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, 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 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 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. 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 TRANSFER of title to such vehicle, 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.

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 OF TRANSFER, 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 OF TRANSFER TO ~~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. 42-6-112, Colorado Revised Statutes, is amended to read:

42-6-112. Initial registration of a motor vehicle - dealer responsibility to timely forward certificate of transfer of title to purchaser or holder of a chattel mortgage. In order to facilitate initial registration of a vehicle, any dealer of motor vehicles shall have not more than thirty days from the date of sale of such vehicle to deliver or facilitate the delivery of the certificate OF TRANSFER of title to a purchaser or the holder of a chattel mortgage on such motor vehicle, subject to the provisions of section 42-6-109.

SECTION 8. 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 9. 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 OR TRANSFER OF 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 10. 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~~ DIRECTOR'S AUTHORIZED AGENT upon the applicant ~~therefor~~ FOR THE CERTIFICATE OF TITLE furnishing the director 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 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.

(2) If, from the affidavit of the applicant and such other evidence as may be submitted to the director, 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 11. 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~~ 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 12. 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~~ 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 13. 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 14. 42-6-119 (1) and (2), the introductory portion to 42-6-119 (3), and 42-6-119 (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.

(3) Upon the sale by a dealer of any motor vehicle, the certificate of title to which was issued in a state other than Colorado, the dealer shall, within thirty days after the date of sale of the vehicle, deliver or facilitate the delivery to the purchaser or transferee such certificate of title OR CERTIFICATE OF TRANSFER OF TITLE from a state other than Colorado duly and properly endorsed or assigned to the purchaser or transferee, together with a statement by the dealer, 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., and which shall set forth the following:

(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~~ DIRECTOR'S AUTHORIZED AGENT of such certificate of title, ~~the director shall dispose of the same~~ SAID CERTIFICATE OF TITLE SHALL BE RECORDED as provided in section 42-6-124.

SECTION 15. 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 16. 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, APPLICATION FOR CERTIFICATE OF TITLE, OR CERTIFICATE OF TRANSFER 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. 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 original or duplicate mortgage or certified copy thereof and certificate of title, APPLICATION FOR CERTIFICATE OF TITLE, OR CERTIFICATE OF TRANSFER 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 THE CERTIFICATE OF TITLE, APPLICATION FOR CERTIFICATE OF TITLE, CERTIFICATE OF TRANSFER OF TITLE, AND MORTGAGE INFORMATION TO THE DATABASE OF THE DIRECTOR FOR MAINTENANCE OF A CENTRAL REGISTRY OF MOTOR VEHICLE TITLE INFORMATION. A mortgage is deemed to be a signed original or a signed duplicate original if the signature appearing thereon ON A CERTIFICATE OF TITLE, APPLICATION FOR CERTIFICATE OF TITLE, OR CERTIFICATION OF TRANSFER 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 17. 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 18. 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 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 shall thereafter dispose of said new certificate of title containing said notation as provided in section 42-6-124.~~

SECTION 19. 42-6-124, Colorado Revised Statutes, is amended to read:

~~42-6-124. Disposition of certificates of title. (†) All certificates of title issued by the director shall be disposed of by the director in the following manner: FILED BY THE DIRECTOR'S AUTHORIZED AGENT SHALL BE 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.~~

~~(a) If it appears from the records in the director'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 office.~~

~~(b) If it appears from the records in the office of the director 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 shall 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 20. 42-6-125, Colorado Revised Statutes, is amended to read:

~~42-6-125. Release of mortgages. (†) 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'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:~~

(a) If it appears that the motor vehicle therein described IN THE CERTIFICATE OF TITLE is encumbered by a mortgage filed in the manner prescribed in section 42-6-121 subsequent to August 1, 1949, and subsequent to the date on which the mortgage so released was filed for record, the holder of such certificate of title shall deliver the same to the person so shown to be the holder of the mortgage noted thereon, filed earliest in point of time after the filing of the mortgage released, or to the person or agent of the person shown to be the assignee or other legal holder of the undertaking secured thereby or shall mail the same to such mortgagee or holder thereof at his or her address as the same thereon appears. ~~If such certificate is returned unclaimed, it shall be sent by mail to the director~~ 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.

~~(b) If it appears from an examination of the certificate of title that there are no other outstanding mortgages against the motor vehicle therein described, filed for record subsequent to August 1, 1949, upon the release of such mortgage as provided in this section, the holder thereof shall deliver the certificate of title to the owner of the vehicle therein described or shall mail the same to the owner at his or her address as the same may therein appear, and, if for any reason said certificate of title is not delivered to the owner of the vehicle therein described or is returned unclaimed upon the mailing thereof, it shall immediately be mailed to the director.~~

SECTION 21. Repeal. 42-6-126, Colorado Revised Statutes, is repealed as follows:

42-6-126. New certificate upon release of mortgage. ~~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.~~

SECTION 22. 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 SECTIONS 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~~ 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 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. 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 23. 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 24. 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 25. 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 26. 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 27. 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 OR CERTIFICATE OF TRANSFER OF A certificate of title to a motor vehicle ~~and accompanying papers which may be sent by an 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 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 AUTHORIZED AGENT'S office and shall dispose of such certificate as in other cases.

SECTION 28. 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 DIRECTOR'S AUTHORIZED AGENT to be canceled OR NOTIFY THE 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 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 29. 42-6-137 (2), (3), (4), (5), and (6), 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 SECTIONS

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 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.

~~(4) Upon the release and satisfaction of any mortgage and upon application to the authorized agent for the notation thereof on the certificate of title in the manner prescribed in section 42-6-125, such authorized agent shall be paid 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.

(6) Upon filing with the director any application for a certificate of title, a motor vehicle dealer who applies to receive a certificate of title within

one working day ~~of~~ AFTER application shall pay to said director a fee of ~~twenty-five dollars~~ SIX 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'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 30. 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 31. 14-10-122 (1.5) (d) (I) (B), Colorado Revised Statutes, is amended to read:

14-10-122. Modification and termination of provisions for maintenance, support, and property disposition - automatic lien.
(1.5) (d) **Lien on motor vehicles.** (I) (B) Liens on motor vehicles created by this section shall remain in effect for the same period of time as any other lien on motor vehicles as specified in section 42-6-127, C.R.S., or until the entire amount of the lien is paid, whichever occurs first. A lien created pursuant to this section may be renewed pursuant to section 42-6-127, C.R.S. Within twenty calendar days after satisfaction of the debt or debts described in the notice of lien, the delegate child support enforcement unit shall release the lien pursuant to the procedures specified in section 42-6-125, C.R.S. When a lien on a motor vehicle created pursuant to this subsection (1.5) is released, the EXECUTIVE DIRECTOR'S authorized agent and the executive director of the

department of revenue shall proceed as provided in section ~~42-6-126~~ 42-6-127, C.R.S.

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.

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Bill F

Colorado Legislative Council Staff
**STATE and LOCAL
FISCAL IMPACT**

Drafting Number: LLS 00-0236
Prime Sponsor(s): Sen. Powers
Rep. Swenson

Date: December 6, 1999
Bill Status: Transportation Legislation Review
Committee
Fiscal Analyst: Chris Ward (303-866-5834)

TITLE: CONCERNING ELECTRONIC CERTIFICATES OF TITLE FOR MOTOR VEHICLES
BY COUNTY CLERKS.

Fiscal Impact Summary	FY 2000/2001	FY 2001/2002
State Revenues		
General Fund		
Cash Fund		-\$480,538
State Expenditures		
General Fund		
Cash Fund		-\$485,968
FTE Position Change	0.0 FTE	0.0 FTE
Other State Impact: TABOR Impact		
Effective Date: July 1, 2001		
Appropriation Summary for FY 2000-2001: None.		
Local Government Impact: The bill also will reduce the costs incurred by county clerk and recorders for printing and mailing motor vehicle titles. Additional fees may be collected for issuance of titles.		

Summary of Legislation

This bill changes the system for titling motor vehicles and requires that motor vehicle titles be maintained electronically. Under current law, the Department of Revenue verifies ownership and issues certificates of title for most motor vehicles registered in Colorado; titles for other vehicles are approved and issued by county clerk and recorders. This bill transfers the primary responsibility for approving applications for motor vehicle titles to county clerk and recorders. The department, however, is still responsible for issuing many titles, such as those for which a lien exists.

Motor vehicle titles would no longer be automatically sent to vehicle owners, but instead would be maintained electronically and available upon request for a fee of \$7.50 payable to the county clerk and recorder. Title information would be maintained in a database that is accessible to both the department and county clerk and recorders so that titles could be printed by either agency upon such

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Bill F

a request. The new system would include essentially the same information as the current system, but original documents associated with the application for title would no longer be transmitted via microfilm from county clerks to the department.

The bill reduces the fee charged to motor vehicle dealers who apply to receive a certificate of title from \$25.00 to \$6.50. The bill also clarifies that a transfer of title is necessary when selling or conveying the title of a vehicle; allows for the presentation of a court order when title to a vehicle is conveyed by gift, death, or law; and allows for salvage distinction to be made in the electronic record. The bill defines electronic record, file, and record for purposes of motor vehicle title certificate laws and authorizes the Director of the Department of Revenue to promulgate rules for electronic record keeping by county clerks and recorders.

State Revenues

The bill will reduce state revenue by approximately **\$480,538 in FY 2001-02**. This reduction results from a decrease in the fee charged to motor vehicle dealers who apply to receive a certificate of title. The fee is reduced from \$25.00 to \$6.50 for each title requested. In FY 1998-99, there were 23,639 motor vehicle dealer applications for title accounting for \$590,975 in revenue. This fiscal note assumes 25,975 applications for title by motor vehicle dealers in FY 2001-02. Revenue from this fee is credited to the Distributive Data Processing Fund.

State Expenditures

The bill requires that motor vehicle titles be maintained as electronic records. Thus, titles will no longer be automatically printed and mailed to vehicle owners and state expenditures for printing and mailing titles should be eliminated. The bill still requires that the department issue titles for vehicles when a lien exists, but this fiscal note assumes that the department is no longer required to print and mail these titles. During FY 1998-99, the Department of Revenue printed and mailed 1,244,666 titles at a cost of \$453,282 (\$54,989 for printing and \$398,293 for mailing). Assuming the same proportion of state-processed titles, the bill should eliminate the printing and mailing of approximately 1,391,741 titles by the department, thereby reducing state expenditures by **\$485,968 in FY 2001-02** (\$61,487 for printing and \$424,481 for mailing). In addition, the department should realize savings from personnel required to mail title documents.

The department currently maintains an electronic database of motor vehicle title information that will be modified by the bill. This database resides on a computer system that the department is in the process of upgrading, however, the upgrade should affect changes made under this bill. The new system would include essentially the same information as the current system, but original documents associated with the application for title would no longer be transmitted via microfilm from county clerks to the department. The department currently spends, and may continue to spend, a significant effort in maintaining motor vehicle records in order to verify vehicle ownership and respond to requests for information from individuals, law enforcement, lienholders, and others.

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Because the bill transfers the responsibility for verifying and maintaining title documents from the department to county clerk and recorders, the department may realize savings in operating costs. However, some of these savings may be offset by the department's need to continue responding to request for information using information currently archived. The costs associated with maintaining archived information is unknown, but may include personnel to respond to questions from individuals, law enforcement, lienholders, and others.

The motor vehicle title system proposed by the bill may require an upgrade of the computer systems in many county clerk and recorder offices. For example, some counties are not equipped to electronically capture bills of sale and other paper motor vehicle documents. Costs associated with the purchase and installation of equipment for the state's motor vehicle title system would likely be paid out of the Distributive Data Processing Cash Fund (DDP) as cash funds exempt. However, there is insufficient information available at this time to estimate these costs.

Other State Impacts

The bill reduces state revenues, and therefore, taxpayer refunds required under TABOR.

Fee Impact on Individuals, Families or Business

Pursuant to Section 2-2-322, C.R.S., which requires legislative service agency review of legislative measures which include the creation or increase of any fee collected by a state agency, the following analysis is provided.

FEE IMPACT ON INDIVIDUALS AND BUSINESS					
Type of Fee	Current Fee	Proposed Fee	Fee Change	Number of Affected Individuals or Business	Total Fee Impact
Motor Vehicle Dealer Application for Title	\$25	\$6.50	(\$18.50)	25,975	(\$480,538)
TOTAL					(\$480,538)

Local Government Impact

By eliminating the requirement to print and mail all motor vehicle titles, the bill reduces expenditures by county clerk and recorders. During FY 1998-99, county clerk and recorders printed and mailed 198,975 titles. The bill still allows vehicle owners to request a copy of their title, after

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Bill F

paying a \$7.50 fee, but it is unknown how many such requests will be submitted. The bill also transfers a significant workload associated with verifying title documents from the state to county clerk and recorders. However, this workload is expected to be absorbed within existing resources.

Departments Contacted

Revenue

The Department of Revenue is concerned that the fiscal impact of this bill cannot be completely assessed until several issues raised by the bill are clarified. For example, assuming that the bill simply allows for the electronic filing by counties, without mandating such a system in every county, the bill will reduce the estimated cost of upgrading computer equipment in county clerk and recorder offices. This fiscal note assumes that the program is mandatory, but no estimate is provided of the cost for upgrading county clerk and recorder computer equipment. Similarly, the bill requires the department to issue a new certificate of title when a mortgage has been filed. If this provision is interpreted to require the department to continue its practice of printing and mailing titles when a lien exists, much of the expenditures under current law will continue.

In addition, the department has identified a need to modify some of its existing forms and develop new ones. For example, a new form will be required to notify clerks when a lien has been satisfied. Printing 1,500,000 copies of this form would cost \$75,000. The department has also identified a need to develop a form that indicates the disposition of a vehicle, whether by loss, dismantling, or salvage. Printing 50,000 copies of this form would cost \$584. Based on the assumption that the motor vehicle title database would be accessible to both the department and county clerk and recorders, this fiscal note assumes that the department could simply enter information into the central database and avoid the costs associated with developing and mailing paper forms.

Omissions and Technical or Mechanical Defects

The bill eliminates the selling date of the vehicle from the motor vehicle title record. This information is needed to calculate the amount of specific ownership taxes owed on the vehicle.

Bill G

BY REPRESENTATIVES Mace, Gotlieb, and Swenson;
also SENATORS Musgrave and Dyer.

A BILL FOR AN ACT

CONCERNING THE REQUIREMENT TO PROVIDE PROOF OF MOTOR VEHICLE
INSURANCE BEFORE REGISTERING A MOTOR VEHICLE WITH THE
DEPARTMENT OF REVENUE.

Bill Summary

"Prove Insurance For Vehicle Registration"

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Transportation Legislation Review Committee. Expands the requirement that a person registering or renewing the registration of a motor vehicle with the department of revenue provide proof of a complying motor vehicle insurance policy, owner's policy, or certificate of self-insurance, to include light trucks that are sixteen thousand pounds empty weight that are not insured through a commercial line of insurance and sports utility vehicles that are classified as class B personal property.

Requires the proof of insurance certificate, insurance identification card, or other proof of insurance authorized by the department, provided when registering or renewing the registration of a motor vehicle, to specify that such insurance is in full force and effect for at least thirty days after the date of registration.

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

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

42-3-105. Application for registration - tax - repeal. (1) (c) (I) The department may not register a motor vehicle unless the applicant has a complying motor vehicle insurance policy, including an owner's policy of insurance under section 10-4-706.5, C.R.S., or a 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 (c) apply only to motor vehicles classified as class C personal property under section 42-3-106 (1) (c), TO LIGHT TRUCKS 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 applicant shall provide the department with 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., or provide proof of insurance in such other media as is authorized by the department. THE PROOF OF INSURANCE CERTIFICATE, INSURANCE IDENTIFICATION CARD, OR OTHER PROOF OF INSURANCE AUTHORIZED BY THE DEPARTMENT SHALL SPECIFY THAT SUCH INSURANCE IS IN FULL FORCE AND EFFECT FOR AT LEAST THIRTY DAYS AFTER THE DATE OF REGISTRATION. Nothing in this paragraph (c) 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 2. 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 a complying motor vehicle insurance policy, including an owner'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 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. THE PROOF OF INSURANCE CERTIFICATE, INSURANCE IDENTIFICATION CARD, OR OTHER PROOF OF INSURANCE AUTHORIZED BY THE DEPARTMENT SHALL SPECIFY THAT SUCH INSURANCE IS IN FULL FORCE AND EFFECT FOR AT LEAST THIRTY DAYS AFTER THE DATE OF REGISTRATION. 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 3. Effective date - applicability. (1) This act shall take effect October 1, 2000, unless a referendum petition is filed during 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. If such 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.

(2) The provisions of this act shall apply to persons registering or renewing the registration of motor vehicles on or after the applicable effective date of this act.

DRAFT

Bill G

Colorado Legislative Council Staff
NO FISCAL IMPACT

Drafting Number: LLS 00-0237
Prime Sponsor(s): Rep. Mace
Sen. Musgrave

Date: November 23, 1999
Bill Status: Transportation Legislation Review
Committee
Fiscal Analyst: Chris Ward (303-866-5834)

TITLE: CONCERNING THE REQUIREMENT TO PROVIDE PROOF OF MOTOR VEHICLE INSURANCE BEFORE REGISTERING A MOTOR VEHICLE WITH THE DEPARTMENT OF REVENUE.

Summary of Assessment

This bill makes two changes to the statute requiring proof of insurance before registering a vehicle. First, the bill expands the requirement to include certain light trucks and sport utility vehicles. Second, the bill requires that individuals show proof that their insurance will be in effect for at least 30 days after the date of registration. These expanded requirements apply to both new registrations and registration renewals. The bill would become effective October 1, 2000, unless a referendum petition is filed.

The bill will affect light trucks weighing less than 16,000 pounds empty weight that are not insured through a commercial line of insurance and class B sport utility vehicles (SUVs). SUVs, which are considered dual-purpose vehicles, are registered based on the owner's declared usage and can be classified as essentially either cars or trucks. SUVs registered as cars are issued class C license plates and are already required to show proof of insurance under current law. This bill expands the requirement to include SUVs that are issued truck plates as class B vehicles. During 1999, 715,912 class B vehicles with an empty weight of less than 16,000 pounds were registered. Class B vehicles include light trucks and some SUVs, as well as trucks weighing over 16,000 pounds, truck tractors, and semitrailers that are not used as interstate carriers.

The bill affects county clerk and recorders, by increasing the number of vehicles that must show proof of insurance, as well as the Department of Revenue, which expects additional phone inquiries as a result of this bill. However, it is estimated that these costs are insignificant and can be absorbed within existing resources, at both the state and local level. Therefore, the bill is assessed as having no fiscal impact.

Departments Contacted

Revenue Regulatory Agencies Attorney General

Bill H

BY REPRESENTATIVES Swenson, Gottlieb, and May;
also SENATORS Dyer and Powers.

A BILL FOR AN ACT

CONCERNING THE ABILITY OF THE DEPARTMENT OF REVENUE'S AUTHORIZED
AGENTS TO COLLECT A FEE TO RECOUP THE COST OF MAILING MOTOR
VEHICLE LICENSE PLATES.

Bill Summary

"Recouping License Plate Mailing Costs"

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Transportation Legislation Review Committee. Requires applicants for motor vehicle registration who wish to have their license plates mailed to them to pay to the authorized agents of the department of revenue a reasonable fee to cover the actual shipping and handling costs incurred by the authorized agent. Allows the department's agents to collect and retain such a fee.

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

SECTION 1. 42-1-210 (1) (b), Colorado Revised Statutes, is amended to read:

42-1-210. County clerk and recorders and manager of revenue as agents - legislative declaration - fee. (1) (b) The fee established by paragraph (a) of this subsection (1) does not apply to an extended temporary motor vehicle registration pursuant to section 42-3-103.5 OR TO A SHIPPING AND HANDLING

FEE FOR THE MAILING OF A LICENSE PLATE PURSUANT TO SECTION 42-3-105 (1) (a).

SECTION 2. 42-3-105 (1) (a), Colorado Revised Statutes, is amended to read:

42-3-105. Application for registration - tax - repeal.

(1) (a) Application for the registration of a vehicle required to be registered under this article shall be made by the owner or the owner's agent, and if applicable, simultaneously with the application for certificate of title, as required by this section. The application for registration, which shall be in writing and signed by the owner of such vehicle or the owner's duly authorized agent, shall include: The name of the applicant; the name and correct address of the owner determined pursuant to section 42-6-139, designating the county, school district, and city or town within the limits of which the owner resides; a description of the motor vehicle in such form as shall be required by the department; the purpose for which the vehicle is used; the notice described in subsection (2) of this section; WHETHER THE APPLICANT REQUESTS THAT THE DEPARTMENT SHOULD, IF IT APPROVES THE APPLICATION, MAIL TO THE OWNER THE LICENSE PLATE REQUIRED UNDER THIS PART 3; and such other pertinent information as may be required by the department. In addition, on or after July 1, 1999, any application for new registration of a vehicle shall include the primary body color of the motor vehicle. On and after September 1, 1999, any application submitted in person to a county clerk and recorder, manager of revenue, or department office for registration of a motor vehicle that has been previously registered shall include the primary body color of the motor vehicle.

SECTION 3. ~~42-3-134, Colorado Revised Statutes, is amended BY~~
THE ADDITION OF A NEW SUBSECTION to read:

42-3-134. Registration fees - passenger and passenger-mile taxes
~~- repeal.~~ (29.5) IN ADDITION TO ANY OTHER FEES IMPOSED BY THIS SECTION,
THE AUTHORIZED AGENT DESIGNATED UNDER SECTION 42-1-210 (1) (a) IS
AUTHORIZED TO COLLECT AND RETAIN, AND AN APPLICANT FOR REGISTRATION
SHALL PAY AT THE TIME OF REGISTRATION, A REASONABLE FEE, AS
DETERMINED FROM TIME TO TIME BY THE AUTHORIZED AGENT, THAT
APPROXIMATES THE DIRECT AND INDIRECT COSTS INCURRED BY THE
AUTHORIZED AGENT IN SHIPPING AND HANDLING THOSE LICENSE PLATES THAT
THE APPLICANT HAS, PURSUANT TO SECTION 42-3-105(1)(a), REQUESTED THAT
THE DEPARTMENT MAIL TO THE OWNER.

SECTION 4. 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.

DRAFT

Bill H

Colorado Legislative Council Staff
**STATE and LOCAL
FISCAL IMPACT**

Drafting Number: LLS 00-0264
Prime Sponsor(s): Rep. Swenson
Sen. Dyer

Date: November 30, 1999
Bill Status: Transportation Legislation Review
Committee
Fiscal Analyst: Chris Ward (303-866-5834)

TITLE: CONCERNING THE ABILITY OF THE DEPARTMENT OF REVENUE'S AUTHORIZED AGENTS TO COLLECT A FEE TO RECOUP THE COST OF MAILING MOTOR VEHICLE LICENSE PLATES.

Fiscal Impact Summary	FY 2000/2001	FY 2001/2002
State Revenues General Fund		
State Expenditures General Fund	\$1,773	
Cash Funds Exempt	\$46,200	
FTE Position Change	0.0 FTE	0.0 FTE
Other State Impact: None		
Effective Date: Upon signature of the Governor.		
Appropriation Summary for FY 2000-2001: The Department of Revenue would require \$1,773 from the General Fund and \$46,200 from the Distributive Data Processing cash fund.		
Local Government Impact: Counties would be authorized to collect and retain a fee to cover the costs of mailing license plates. The increase in county revenue could increase the excess revenue required to be refunded to taxpayers under TABOR in certain counties.		

Summary of Legislation

This bill allows county clerk and recorders, as authorized agents of the Department of Revenue, to charge a fee for mailing license plates to applicants for motor vehicle registration who choose to have their license plates delivered by mail. The fee should approximate the direct and indirect costs incurred by county clerk offices for shipping and handling the license plates.

DRAFT

Bill H

State Expenditures

The current system for collecting fees and allocating fee revenue would need revision as a result of this bill. One-time costs associated with modifying the system are estimated to be \$47,973 in FY 2000-01. The individual components that make up this cost are described below.

The Department of Revenue maintains the computer system used by county clerk and recorders and will require \$46,200 in one-time programming costs to calculate the shipping and handling charge fees and to allow counties to set their own fees. (600 hours x \$77 per hour = \$46,200). Of this amount, \$38,500 is associated with programming to calculate the shipping and handling charge fees (500 hours x \$77 per hour = \$38,500), and \$7,700 is associated with programming to allow counties to set their own shipping and handling fees (100 hours x \$77 per hour = \$7,700). These \$46,200 in programming costs would be paid out of funds in the Distributive Data Processing Fund and are considered cash funds exempt.

The application form for registration would need to be revised to allow individuals to request that their plates be mailed. One-time costs of \$1,752 have been identified for printing a modified "Application for Titles and/or Registration" to include language asking if the applicant wishes the department to mail their license plates. (150,000 forms x \$0.01168 each = \$1,752). Also, the department's registration manual would need to be updated at a cost of \$21 (one page x 781 manuals x \$0.0275 each = \$21.48). These costs, which total \$1,773 in FY 2000-01, would be paid out of the state General Fund.

Local Government Impact

The bill authorizes county clerks to charge a fee for mailing license plates to motor vehicle registration applicants who choose to have their plates delivered by mail. The fee should approximate the direct and indirect costs incurred by county clerk offices for shipping and handling the license plates. Thus, the fee would differ by county depending on the actual costs of shipping and handling experienced by the county.

As of November 30, 1999, 48 counties had responded to a survey with an estimate of how many sets of license plates would be mailed monthly. Those 48 counties expect to mail a total of 75,801 license plate sets each month, or 909,612 plates annually. If the fee is \$2.25 for each mailing, counties can expect to receive \$2,046,627 annually. This estimate may change due to several factors including the actual fee imposed by each county, changes in the estimated demand for new plates, and additional information from counties that have not responded to the survey. This increased revenue could potentially increase the excess revenue to be refunded to taxpayers under TABOR in certain counties.

DRAFT

Bill H

State Appropriations

This fiscal note implies that the Department of Revenue would require appropriations of \$1,773 General Funds and \$46,200 cash funds exempt in FY 2000-01 to implement the provisions of the bill.

Departments Contacted

Revenue