## First Regular Session Seventy-third General Assembly STATE OF COLORADO

## PREAMENDED

This Unofficial Version Includes Committee Amendments Not Yet Adopted on Second Reading

LLS NO. 21-0554.02 Jery Payne x2157

SENATE BILL 21-076

SENATE SPONSORSHIP

Scott,

HOUSE SPONSORSHIP

(None),

Senate Committees Transportation & Energy Appropriations **House Committees** 

## A BILL FOR AN ACT

101	CONCERNING	THE	FUNDING	OF	Α	SYSTEM	FOR	ELECTR	ONIC
102	TRANSA	CTION	S MADE BY	THIR	D-P	PARTY PRO	VIDEF	RS RELATI	E <b>D TO</b>
103	THE REC	GULAT	TION OF VEI	HICL	ES.				

## **Bill Summary**

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <u>http://leg.colorado.gov</u>.)

Current law provides for the implementation of an electronic system to transmit registration, lien, and titling information to the department of revenue (department). The system is currently funded through gifts, grants, and donations. The bill imposes a per-transaction fee up to \$3, set by the department, on third-party providers that issue registrations and titles to administer the system.

The general assembly is authorized to make an appropriation from the general fund or the highway users tax fund to fund the system.

1 *Be it enacted by the General Assembly of the State of Colorado:* 2 **SECTION 1.** In Colorado Revised Statutes, 42-1-234, **amend** (2) 3 and (3)(a); and **add** (4) <u>and (5)</u> as follows: 4 42-1-234. Electronic vehicle registration and titling - electronic 5 transmission of vehicle lien information - authority - rules - cash fund 6 - electronic transactions fund - gifts, grants, and donations - repeal. 7 (2) (a) The department is authorized to seek and accept gifts, grants, or 8 donations from private or public sources, including from third-party 9 providers, for the purposes of this section; except that the department may 10 not accept a gift, grant, or donation that is subject to conditions that are 11 inconsistent with this section or any other law of the state. The 12 department shall ensure that any funds contributed to the department for 13 the implementation of the system for the electronic transmission of 14 registration, lien, and titling information for motor vehicles, <u>VEHICLES</u>, 15 off-highway vehicles, and special mobile machinery are: tracked 16 separately and 17 (I) Used only for the implementation of the system; AND 18 (II) TRANSFERRED TO THE STATE TREASURER, WHO SHALL CREDIT 19 THE FUNDS TO THE ELECTRONIC TRANSACTIONS FUND. 20 (b) (I) IN ADDITION TO THE FEES DESCRIBED IN SUBSECTION (1)(c) 21 OF THIS SECTION, A THIRD-PARTY PROVIDER SHALL PAY THE DEPARTMENT 22 A FEE OF UP TO THREE DOLLARS FOR EACH OF THE FOLLOWING TYPES OF 23 TRANSACTIONS COMPLETED BY THE THIRD-PARTY PROVIDER: 24 (A) ISSUANCE OF OR TRANSFER OF A CERTIFICATE OF TITLE FOR A

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1 MOTOR VEHICLE OR AN OFF-HIGHWAY VEHICLE;

2 (B) ISSUANCE OF OR RENEWAL OF A REGISTRATION FOR A MOTOR
 3 <u>VEHICLE, A VEHICLE, OR SPECIAL MOBILE MACHINERY; AND</u>

4 (C) A TRANSACTION THAT INCLUDES BOTH THE TRANSACTIONS 5 DESCRIBED IN SUBSECTIONS (2)(b)(I)(A) AND (2)(b)(I)(B) OF THIS 6 SECTION.

7 (II) THE THIRD-PARTY PROVIDER MAY CHARGE ITS CLIENT THE FEE
8 IMPOSED IN SUBSECTION (2)(b)(I) OF THIS SECTION.

9 (III) THE DEPARTMENT SHALL SET THE FEE IMPOSED IN 10 SUBSECTION (2)(b)(I) OF THIS SECTION TO OFFSET THE DIRECT AND 11 INDIRECT COST OF ADMINISTERING THE ELECTRONIC TRANSMISSION OF 12 REGISTRATION, LIEN, AND TITLING INFORMATION IN ACCORDANCE WITH 13 THIS SECTION.

14 (IV) THE DEPARTMENT OF REVENUE SHALL REMIT ALL FEES
15 COLLECTED UNDER THIS SUBSECTION (2)(b) TO THE STATE TREASURER,
16 WHO SHALL CREDIT THE FUNDS TO THE ELECTRONIC TRANSACTIONS FUND.

17 (3) (a) The department need not promulgate rules, under 18 subsection (1) of this section, that implement electronic transactions until 19 the department receives adequate gifts, grants, or donations HAS 20 ADEQUATE MONEY IN THE ELECTRONIC TRANSACTIONS FUND to implement 21 the promulgated rules. The department may SHALL, upon receiving 22 adequate gifts, grants, or donations HAVING ADEQUATE MONEY IN THE 23 FUND, phase in implementation of this section as reasonable. The 24 department shall not use THE GENERAL ASSEMBLY MAY APPROPRIATE 25 money from the general fund OR THE HIGHWAY USERS TAX FUND CREATED 26 IN SECTION 43-4-201 to implement this section.

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(4) (a) THE ELECTRONIC TRANSACTIONS FUND, REFERRED TO IN

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THIS SUBSECTION (4) AS THE "FUND", IS HEREBY CREATED IN THE STATE
 TREASURY. THE FUND CONSISTS OF MONEY THAT THE GENERAL ASSEMBLY
 MAY APPROPRIATE OR TRANSFER TO THE FUND AND MONEY CREDITED TO
 THE FUND UNDER THIS SECTION.

5 (b) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND
6 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE
7 FUND TO THE FUND.

8 (c) SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL 9 ASSEMBLY, THE DEPARTMENT MAY EXPEND STATE MONEY FROM THE FUND 10 TO IMPLEMENT AND ADMINISTER ELECTRONIC TRANSMISSION OF 11 REGISTRATION, LIEN, AND TITLING INFORMATION IN ACCORDANCE WITH 12 THIS SECTION.

13 (5) (a) SUBSECTIONS (2)(a) AND (3) OF THIS SECTION AND THIS 14 SUBSECTION (5) WILL BE REPEALED IF THE DEPARTMENT FULLY 15 IMPLEMENTS THIS SECTION. UPON FULLY IMPLEMENTING THIS SECTION, 16 THE EXECUTIVE DIRECTOR OF THE DEPARTMENT SHALL NOTIFY THE 17 REVISOR OF STATUTES IN WRITING OF THE DATE ON WHICH THE CONDITION 18 SPECIFIED IN THIS SUBSECTION (5)(a) HAS OCCURRED BY E-MAILING THE 19 NOTICE TO REVISOROFSTATUTES.GA@STATE.CO.US. 20 (b) SUBSECTIONS (2)(a) AND (3) OF THIS SECTION AND THIS 21 SUBSECTION (5) ARE REPEALED, EFFECTIVE UPON THE DATE IDENTIFIED IN 22 THE NOTICE THAT THIS SECTION WAS FULLY IMPLEMENTED OR, IF THE 23 NOTICE DOES NOT SPECIFY THAT DATE, UPON THE DATE OF THE NOTICE TO 24 THE REVISOR OF STATUTES. 25 **SECTION 2.** Safety clause. The general assembly hereby finds,

determines, and declares that this act is necessary for the immediatepreservation of the public peace, health, or safety.

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