

**First Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO**

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

LLS NO. 23-0758.01 Jery Payne x2157

HOUSE BILL 23-1140

HOUSE SPONSORSHIP

Snyder and Evans, Hamrick, Lindsay, Lindstedt, Mauro, Taggart, Velasco, Weinberg,
Wilson

SENATE SPONSORSHIP

Rodriguez and Van Winkle,

House Committees

Transportation, Housing & Local Government

Senate Committees

Business, Labor, & Technology

A BILL FOR AN ACT

101 **CONCERNING THE REQUIREMENT THAT BUSINESSES LICENSED TO SELL**
102 **POWERSPORTS VEHICLES HAVE A PRINCIPAL PLACE OF**
103 **BUSINESS.**

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 <http://leg.colorado.gov>.)

Current law requires a powersports vehicle dealer or a used powersports vehicle dealer to maintain a principal place of business and sets minimum standards for the principal place of business. The bill clarifies that the following acts are not a violation of this requirement:

- Delivering a powersports vehicle to a customer for a test

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

SENATE
2nd Reading Unamended
March 14, 2023

HOUSE
3rd Reading Unamended
February 24, 2023

HOUSE
Amended 2nd Reading
February 23, 2023

- drive away from the dealer's principal place of business;
- Delivering documents for a customer to sign or delivering documents to, or obtaining documents from, a customer away from the dealer's principal place of business; or
- Delivering a powersports vehicle to a customer away from the dealer's principal place of business.

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

2 **SECTION 1.** In Colorado Revised Statutes, 44-20-419, **amend**
3 (2) as follows:

4 **44-20-419. Principal place of business - requirements -**
5 **exceptions.** (2) (a) A room in a hotel, rooming house, or apartment ~~house~~
6 building or a part of any single or multiple unit dwelling house ~~shall~~ MUST
7 not be used as a principal place of business unless:

8 (I) The entire ground floor of the hotel, ROOMING HOUSE,
9 apartment ~~house, or rooming house~~ building, or the dwelling house is
10 devoted principally to and occupied for commercial purposes; and

11 (II) The office of the dealer is located on the ground floor ~~thereof~~
12 OF THE HOTEL, ROOMING HOUSE, APARTMENT BUILDING, OR DWELLING
13 HOUSE.

14 (b) IT IS NOT A VIOLATION OF THIS PART 4 OR ANY RULE
15 PROMULGATED UNDER THIS PART 4 FOR A POWERSPORTS VEHICLE DEALER
16 OR USED POWERSPORTS VEHICLE DEALER TO:

17 (I) DELIVER A POWERSPORTS VEHICLE TO A CUSTOMER FOR A TEST
18 DRIVE AT A LOCATION THAT IS AWAY FROM THE DEALER'S PRINCIPAL
19 PLACE OF BUSINESS;

20 (II) DELIVER DOCUMENTS FOR A CUSTOMER TO SIGN AT A
21 LOCATION THAT IS AWAY FROM THE DEALER'S PRINCIPAL PLACE OF
22 BUSINESS;

1 (III) DELIVER DOCUMENTS TO, OR OBTAIN DOCUMENTS FROM, A
2 CUSTOMER AT A LOCATION THAT IS AWAY FROM THE DEALER'S PRINCIPAL
3 PLACE OF BUSINESS; OR

4 (IV) DELIVER A POWERSPORTS VEHICLE TO A CUSTOMER AT A
5 LOCATION THAT IS AWAY FROM THE DEALER'S PRINCIPAL PLACE OF
6 BUSINESS.

7 **SECTION 2.** In Colorado Revised Statutes, 44-20-420, **amend**
8 (3)(k) as follows:

9 **44-20-420. Licenses - grounds for denial, suspension, or**
10 **revocation.** (3) A wholesaler's license, powersports vehicle dealer's
11 license, or a used powersports vehicle dealer's license may be denied,
12 suspended, or revoked on the following grounds:

13 (k) Engaging in the business for which the dealer is licensed
14 without at all times maintaining a principal place of business as required
15 by this part 4 during reasonable business hours; EXCEPT THAT THE
16 LICENSE OF A POWERSPORTS VEHICLE DEALER OR USED POWERSPORTS
17 VEHICLE DEALER IS NOT SUBJECT TO DENIAL, SUSPENSION, OR REVOCATION
18 FOR ENGAGING IN ACTIVITIES AT LOCATIONS AWAY FROM THE PRINCIPAL
19 PLACE OF BUSINESS AS DESCRIBED IN SECTION 44-20-419 (2)(b);

20 **SECTION 3. Act subject to petition - effective date -**
21 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
22 the expiration of the ninety-day period after final adjournment of the
23 general assembly; except that, if a referendum petition is filed pursuant
24 to section 1 (3) of article V of the state constitution against this act or an
25 item, section, or part of this act within such period, then the act, item,
26 section, or part will not take effect unless approved by the people at the
27 general election to be held in November 2024 and, in such case, will take

1 effect on the date of the official declaration of the vote thereon by the
2 governor.

3 (2) This act applies to conduct occurring on or after the applicable
4 effective date of this act.