

House Transportation, Housing & Local Government

02/03/2026 Upon Adjournment

HB26-1041 Electronic Vehicle Records

Typed Text of Testimony Submitted

| Name, Position, Representing | Typed Text of Testimony |
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| Steve Schleiker For themselves | Chair and members of the committee, As the El Paso County Clerk and Recorder, I support House Bill 26-1041 because it removes outdated statutory barriers that limit the use of electronic vehicle titles and aligns state law with ongoing modernization efforts. This bill is permissive rather than mandatory, which is important to counties, and it offers long-term operational efficiencies and improved customer service by reducing unnecessary paper exceptions. That said, successful implementation will depend on clear rulemaking from the Department of Revenue with county clerks included in the process, preservation of paper title options for citizens who need or prefer them, and clear statewide guidance for edge cases such as out-of-state parties and cash transactions. With those safeguards in place, House Bill 26-1041 represents a practical and responsible step forward for both counties and the public we serve. Thank you, Steve Schleiker, Clerk & Recorder El Paso County |



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February 2, 2026

Representative Meg Froelich
Chair, House Committee on Transportation, Housing & Local Government
200 E Colfax, RM 307
Denver, CO 80203

Representative Rebekah Stewart
Vice Chair, House Committee on Transportation, Housing & Local Government
200 E Colfax, RM 307
Denver, CO 80203

Dear Representatives Froelich and Stewart,

The National Auto Auction Association (NAAA), on behalf of our four member auto auctions in Colorado, is writing to comment on proposed Colorado House Bill 26-1041- concerning the use of an electronic vehicle record for a certificate of title, and, in connection therewith, repealing the requirement for a paper certificate of title.

We support Colorado's efforts to create efficiency through electronic titles. However, the auto auction/vehicle remarketing industry has unique business needs as a result of the many different touchpoints it has throughout the automotive ecosystem. A significant percentage of vehicles that are sold through wholesale auto auctions involve buyers and/or sellers from outside of Colorado. Paper titles are a necessary part of wholesale used vehicle transactions until all states are on a solely e-title platform.

To provide a sense of the size and scope of our industry, in 2025, there were more than 100,000 wholesale vehicle sales through NAAA member auctions in Colorado, which does not account for the thousands of additional transactions that occur at non-NAAA member auctions, including online auctions. We have concerns that removing the requirement that paper titles must be issued for out-of-state transactions is removing a necessary protection for our industry. Therefore, we request that there remains an option for any party to request and receive a paper title. A simple way to accomplish this would be to change "a lienholder" to "any party" on page 2, line 15. This will alleviate any potential future risks and concerns.

Thank you for your time and consideration, and please feel free to reach out with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "PLips", with a small dot at the end.

Paul Lips
NAAA Executive Director
plips@naaa.com

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