## **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. 23-0261.01 Josh Schultz x5486

**SENATE BILL 23-019** 

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# A BILL FOR AN ACT

#### 101 **CONCERNING CONSUMER PROTECTION FOR COLORADANS PURCHASING**

102 VEHICLES FROM OUT-OF-STATE ONLINE RETAILERS.

## **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.)

The bill requires out-of-state online dealers and salespersons selling motor vehicles or powersports vehicles to submit to the jurisdiction of the motor vehicle dealer board (board) when selling to a Colorado consumer. The bill does not require these online dealers and salespersons to obtain a Colorado dealer license or have a physical location in Colorado if they are licensed in another state but requires them







to comply with Colorado laws and the board's rules.

1	Be it enacted by the General Assembly of the State of Colorado:
2	SECTION 1. In Colorado Revised Statutes, 44-20-104, amend
3	(3)(g); and <b>add</b> (5) as follows:
4	44-20-104. Board - oath - meetings - powers and duties - rules.
5	(3) The board is authorized and empowered:
6	(g) To summarily issue cease-and-desist orders, FOLLOWED BY
7	NOTICE AND A HEARING IN ACCORDANCE WITH SECTION 44-20-122, on
8	such terms and conditions and for such period of time as to the board
9	appears fair and just to: any person who is licensed by the board pursuant
10	to this part 1 if the orders are followed by notice and a hearing pursuant
11	to section 44-20-122;
12	(I) A PERSON WHO IS LICENSED BY THE BOARD PURSUANT TO THIS
13	PART 1; OR
14	(II) A PERSON ENGAGING IN ACTIVITY THAT REQUIRES A LICENSE
15	UNDER THIS PART 1 WHEN PERFORMED IN COLORADO, BUT THE PERSON
16	DOES NOT OPERATE AT A PHYSICAL LOCATION IN COLORADO OR EMPLOY
17	RESIDENTS OF COLORADO.
18	(5) (a) The board has jurisdiction over activity that:
19	(I) Requires a license under this part 1 when performed in
20	COLORADO; AND
21	(II) INVOLVES A RESIDENT OF COLORADO.
22	(b) WHEN PERFORMING AN ACTIVITY DESCRIBED IN SUBSECTION
23	(5)(a) of this section, a person is subject to this part 1 and the
24	RULES PROMULGATED BY THE BOARD UNDER THIS PART 1; EXCEPT THAT
25	The person need not obtain a license under this part $1$ if the

1	PERSON ENGAGES IN ACTIVITY THAT REQUIRES A LICENSE UNDER THIS
2	part 1 when performed in Colorado but the person does not
3	OPERATE AT A PHYSICAL LOCATION IN COLORADO OR EMPLOY RESIDENTS
4	OF COLORADO.
5	SECTION 2. In Colorado Revised Statutes, 44-20-404, amend
6	(1)(g); and <b>add</b> (6) as follows:
7	44-20-404. Board - powers and duties - rules. (1) In addition
8	to the duties and powers of the board under section 44-20-104, the board
9	may:
10	(g) Summarily issue to any person who is licensed by the board
11	pursuant to this part 4 cease-and-desist orders, FOLLOWED BY NOTICE AND
12	A HEARING IN ACCORDANCE WITH SECTION 44-20-421, on such terms and
13	conditions and for such time as the board deems fair and just if the orders
14	are followed by notice and a hearing pursuant to this section; TO:
15	(I) A PERSON WHO IS LICENSED BY THE BOARD PURSUANT TO THIS
16	PART 4; OR
17	(II) A PERSON ENGAGING IN ACTIVITY THAT REQUIRES A LICENSE
18	UNDER THIS PART 4 WHEN PERFORMED IN COLORADO, BUT THE PERSON
19	DOES NOT OPERATE AT A PHYSICAL LOCATION IN COLORADO OR EMPLOY
20	RESIDENTS OF COLORADO.
21	(6) (a) The board has jurisdiction over activity that:
22	(I) Requires a license under this part 4 when performed in
23	COLORADO; AND
24	(II) INVOLVES A RESIDENT OF COLORADO.
25	(b) WHEN PERFORMING AN ACTIVITY DESCRIBED IN SUBSECTION
26	(6)(a) of this section, a person is subject to this part 4 and the
27	RULES PROMULGATED BY THE BOARD UNDER THIS PART 4; EXCEPT THAT

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THE PERSON NEED NOT OBTAIN A LICENSE UNDER THIS PART 4 IF THE
 PERSON ENGAGES IN ACTIVITY THAT REQUIRES A LICENSE UNDER THIS
 PART 4 WHEN PERFORMED IN COLORADO BUT THE PERSON DOES NOT
 OPERATE AT A PHYSICAL LOCATION IN COLORADO OR EMPLOY RESIDENTS
 OF COLORADO.

6 SECTION 3. Safety clause. The general assembly hereby finds,
7 determines, and declares that this act is necessary for the immediate
8 preservation of the public peace, health, or safety.