

Colorado Legislative Council Staff
NO FISCAL IMPACT

Drafting Number: LLS 00-0237	Date: January 6, 2000
Prime Sponsor(s): Rep. Mace Sen. Musgrave	Bill Status: House Transportation & Energy 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