

(c) A farm tractor, farm trailer, and any other machines and tools used in the production, harvesting, and care of farm products; or

(d) Special mobile machinery or industrial machinery not designed primarily for highway transportation.

(11) "New vehicle" means a motor vehicle being transferred for the first time from a manufacturer or importer, or dealer or agent of a manufacturer or importer, to the end user or customer. A motor vehicle that has been used by a dealer for the purpose of demonstration to prospective customers shall be considered a "new vehicle" unless such demonstration use has been for more than one thousand five hundred miles. Motor vehicles having a gross vehicle weight rating of sixteen thousand pounds or more shall be exempt from this definition.

(12) "Owner" means a person or firm in whose name the title to a motor vehicle is registered.

(13) "Person" means natural persons, associations of persons, firms, limited liability companies, partnerships, or corporations.

(14) "Record" means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in a perceivable form.

\* (15) "Roadworthy" means a condition in which a motor vehicle has sufficient power and is fit to operate on the roads and highways of this state after visual inspection by appropriate law enforcement authorities. In order to be roadworthy, such vehicle, in accord with its design and use, shall have all major parts and systems permanently attached and functioning and shall not be repaired in such a manner as to make the vehicle unsafe. For purposes of this subsection (15), "major parts and systems" shall include, but not be limited to, the body of a motor vehicle with related component parts, engine, transmission, tires, wheels, seats, exhaust, brakes, and all other equipment required by Colorado law for the particular vehicle.

(15.5) (a) "Rolling chassis" means that:

(I) For a motorcycle, the motorcycle has a frame, a motor, front forks, a transmission, and wheels;

(II) For a motor vehicle that is not a motorcycle, the motor vehicle has a frame, a body, a suspension, an axle, a steering mechanism, and wheels.

(b) Nothing in this subsection (15.5) shall be construed to require any listed parts to be operable, in working order, or roadworthy.

(16) "Salvage certificate of title" means a document issued under the authority of the director to indicate ownership of a salvage vehicle.

\* (17) (a) "Salvage vehicle" means a vehicle that is damaged by collision, fire, flood, accident, trespass, or other occurrence, excluding hail damage, to the extent that the cost of repairing the vehicle to a roadworthy condition and for legal operation on the highways exceeds the vehicle's retail fair market value immediately prior to such damage, as determined by the person who owns the vehicle at the time of such occurrence or by the insurer or other person acting on behalf of such owner.

(b) In assessing whether a vehicle is a "salvage vehicle" under this section, the retail fair market value shall be determined by reference to sources generally accepted within the insurance industry including price guide books, dealer quotations, computerized valuation services, newspaper advertisements, and certified appraisals, taking into account the condition of the vehicle prior to the damage. When assessing the repairs, the assessor shall consider the actual retail cost of the needed parts and the reasonable and

**42-6-206. Disclosure requirements upon transfer of ownership of a salvage vehicle.**

- (1) Prior to sale of a vehicle rebuilt from salvage to a prospective purchaser for the purpose of selling or transferring ownership of such vehicle, the owner shall prepare a disclosure affidavit stating that the vehicle was rebuilt from salvage. The disclosure affidavit shall also contain a statement of the owner stating the nature of the damage which resulted in the determination that the vehicle is a salvage vehicle. The words "rebuilt from salvage" shall appear in bold print at the top of each such affidavit.
- (2) Any person who sells a vehicle rebuilt from salvage for the purpose of transferring ownership of such vehicle shall:
- (a) Provide a copy of a disclosure affidavit prepared in accordance with the provisions of subsection (1) of this section to each prospective purchaser; and
- (b) Obtain a signed statement from each such purchaser clearly stating that the purchaser has received a copy of the disclosure affidavit and has read and understands the provisions contained therein.
- (3) (a) Any person who purchases a vehicle rebuilt from salvage who was not provided with a copy of a disclosure affidavit prepared in accordance with the provisions of subsection (1) of this section and who, subsequent to sale, discovers that the vehicle purchased was rebuilt from salvage shall be entitled to a full and immediate refund of the purchase price from the prior owner.
- (b) In the event a person is entitled to a refund under this subsection (3), the prior owner shall be required to make an immediate refund of the full purchase price to the purchaser. A signed statement from the purchaser prepared in accordance with the provisions of paragraph (b) of subsection (2) of this section shall relieve the prior owner of the obligation to make such refund.
- (4) Any owner, seller, or transferor of a vehicle rebuilt from salvage who fails to comply with the provisions of this section shall be guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine for a first offense not to exceed one thousand five hundred dollars and a fine of five thousand dollars for each subsequent offense.
- (5) The executive director of the department of revenue shall prescribe rules and regulations for the purpose of implementing the provisions of this section.
- (6) As used in this section, unless the context otherwise requires:
- (a) "Sale" means any sale or transfer of a vehicle rebuilt from salvage.
- (b) "Salvage vehicle" shall have the same meaning as set forth in section 42-6-102 (17).

**Source:** L. 94: Entire title amended with relocations, p. 2472, § 1, effective January 1, 1995. L. 2009: (6)(b) amended, (SB 09-292), ch. 369, p. 1984, § 128, effective August 5.

**Editor's note:** This section is similar to former § 42-6-210 as it existed prior to 1994, and the former § 42-6-206 was relocated to § 42-6-202.