

**Second Regular Session  
Sixty-seventh General Assembly  
STATE OF COLORADO**

**ENGROSSED**

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

LLS NO. 10-1087.01 Jery Payne

**HOUSE BILL 10-1420**

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**HOUSE SPONSORSHIP**

**Peniston,**

**SENATE SPONSORSHIP**

**Morse,**

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**House Committees**

Transportation & Energy

**Senate Committees**

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**A BILL FOR AN ACT**

101      **CONCERNING COLLECTION OF THE PENALTY SURCHARGE IMPOSED ON**  
102                    **PERSONS REFERRED TO A DRIVER IMPROVEMENT SCHOOL BY A**  
103                    **COURT FOR A TRAFFIC VIOLATION.**

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**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://www.leg.state.co.us/billsummaries>.)*

The bill imposes a penalty of \$15 plus 10% of the amount due plus .5% of such amount per month since the due date and interest on a driver improvement school for failure to collect or remit the fee the school is required to collect from people who are referred to the school by a court.

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.*

HOUSE  
Amended 2nd Reading  
May 5, 2010

Procedures and standards are set for notifying and collecting from the school and holding a hearing or appealing a hearing if requested. The department may place a lien on the property of the school to collect on the delinquency and penalties, but the lien does not take priority over previously recorded liens. The executive director of the department of revenue (director) is required to release the lien when the amount is paid. Procedures and standards are set for the lien, lien release, and court actions. A civil action is also authorized to collect the delinquency and penalties. The director is authorized to waive the penalties for good cause.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly  
3 finds that, on account of the mobility of drivers and the frequent use of  
4 driver improvement schools as a sentencing option for violators of traffic  
5 laws, the competence of driver improvement schools is important to the  
6 entire traveling public and the citizens of Colorado. Therefore, the  
7 general assembly hereby declares that this is a matter of statewide  
8 concern and applies to all courts and driver improvement schools that  
9 teach students within Colorado.

10 (2) In 2009, the general assembly passed House Bill 09-1246 to  
11 provide some oversight and evaluation of driver improvement schools  
12 because members of the general assembly heard from concerned citizens  
13 about the quality of services provided by driver improvement schools.  
14 The passage of House Bill 09-1246 did not give the department of  
15 revenue sufficient tools to adequately implement a program of oversight  
16 and evaluation of driver improvement schools. The department of  
17 revenue, through rule-making, plans to meet with stakeholders to provide  
18 further input into the development of an oversight mechanism for driver  
19 improvement schools. Therefore, the general assembly determines that  
20 this act is necessary to adequately provide the department of revenue with

1 the tools it needs to oversee driver improvement schools.

2 **SECTION 2.** 42-1-223 (1) and (2), Colorado Revised Statutes,  
3 are amended, and the said 42-1-223 is further amended BY THE  
4 ADDITION OF THE FOLLOWING NEW SUBSECTIONS, to read:

5 **42-1-223. Monitoring driver improvement schools - fund -**  
6 **registration - rules.** (1) The defensive driving school fund, referred to  
7 in this section as the "fund", is hereby created in the state treasury. The  
8 fund shall consist of penalty surcharges collected pursuant to section  
9 42-4-1717 (3). The moneys in the fund shall be used to implement a  
10 program to monitor and evaluate driver improvement schools pursuant to  
11 this section, INCLUDING THE REGISTRATION OF DRIVER IMPROVEMENT  
12 SCHOOLS. The moneys in the fund at the end of each fiscal year shall not  
13 revert to the general fund.

14 (2) (a) The department shall, in accordance with article 103 of title  
15 24, C.R.S., contract with a private entity by ~~July 1, 2010~~, MARCH 1, 2011,  
16 to monitor and evaluate the curriculum and effectiveness of driver  
17 improvement classes required by section 42-4-1717.

18 [REDACTED]

19 (4) NO PERSON WHO OPERATES A DRIVER IMPROVEMENT SCHOOL,  
20 INCLUDING INTERNET SCHOOLS, SHALL ACCEPT STUDENTS WHO ARE  
21 LICENSED DRIVERS UNLESS THE PERSON REGISTERS THE SCHOOL WITH THE  
22 DEPARTMENT OF REVENUE OR THE VENDOR IN COMPLIANCE WITH THIS  
23 SUBSECTION (4). THE PERSON SHALL ANNUALLY RENEW THE SCHOOL'S  
24 REGISTRATION.

25 (5) FOR THE PURPOSES OF THIS SECTION, UNLESS THE CONTEXT  
26 OTHERWISE REQUIRES, "DRIVER IMPROVEMENT SCHOOL" MEANS A SCHOOL  
27 THAT ACCEPTS STUDENTS WHO POSSESS A VALID DRIVER'S LICENSE.

1 "DRIVER IMPROVEMENT SCHOOL" DOES NOT MEAN A DRIVING SCHOOL  
2 THAT IS TEACHING DRIVING SKILLS FOR THE PURPOSES OF LICENSING;  
3 PROVIDING CLASSES TO STUDENTS PURSUANT TO A CONTRACT WITH THE  
4 STUDENT'S EMPLOYER; PROVIDING CLASSES FOR DRIVERS OVER FIFTY  
5 YEARS OF AGE TO REACQUIRE OR IMPROVE DECLINING DRIVING SKILLS;  
6 PROVIDING TRAINING FOR COMMERCIAL DRIVERS; OR A COMMERCIAL  
7 DRIVING COURSE REGULATED PURSUANT TO ARTICLE 15 OF TITLE 12,  
8 C.R.S.

9 SECTION 3. 42-4-1717 (3) (a), Colorado Revised Statutes, is  
10 amended to read:

11 **42-4-1717. Conviction - attendance at driver improvement**  
12 **school - rules.** (3) (a) Effective January 1, 2010, a person who is  
13 required to attend a course of instruction pursuant to subsection (1) or (2)  
14 of this section AS A RESULT OF A TRAFFIC VIOLATION shall pay, in addition  
15 to any other penalties, a penalty surcharge as determined by rules  
16 promulgated by the department. The driver improvement school shall  
17 collect the penalty surcharge and remit it to the department at least  
18 monthly in accordance with rules promulgated by the department. The  
19 department shall set the penalty surcharge in an amount to offset the  
20 direct and indirect cost of implementing section 42-1-223. The penalty  
21 surcharge shall be transferred to the state treasurer and credited to the  
22 defensive driving school fund created in section 42-1-223.

23 **SECTION 4. Safety clause.** The general assembly hereby finds,  
24 determines, and declares that this act is necessary for the immediate  
25 preservation of the public peace, health, and safety.