

*Colorado Legislative Council Staff Fiscal Note*  
**NO FISCAL IMPACT**

**Drafting Number:** LLS 11-0757

**Date:** February 14, 2011

**Prime Sponsor(s):** Rep. Ramirez  
 Sen. Mitchell

**Bill Status:** House Economic & Business Development  
**Fiscal Analyst:** Kurtis Morrison (303-866-3140)

**TITLE:** CONCERNING THE IMPOSITION OF A TIME LIMIT WITHIN WHICH A LIENHOLDER MUST PROVIDE THE CERTIFICATE OF TITLE TO A MOTOR VEHICLE WITH EVIDENCE OF RELEASE OF A LIEN THAT HAS BEEN SATISFIED.

**Summary of Legislation**

House Bill 11-1185 requires that, once a motor vehicle lien or mortgage has been paid, the lienholder shall release the lien or mortgage and provide the certificate of title, the lien release, or both, to the new certificate of title holder within 12 days.

**Background**

A certificate of title contains information regarding a vehicle such as: make and model; serial number; description of other marks or symbols placed for identification purposes; and year of manufacture. When a motor vehicle is sold or transferred, state law requires that the person in whose name the vehicle's certificate of title is registered must execute a formal transfer of the vehicle. Within 60 days of the transfer, the buyer or transferee must provide to the Department of Revenue, or county clerk and recorder, an application for a new certificate of title and remit a new certificate filing fee. Violations of this process are a misdemeanor offense, punishable by a \$10 to \$500 fine, 10 days to 6 months in a county jail, or a combination thereof.

**Assessment**

**The bill is assessed as having no fiscal impact on state or local government revenue or expenditures.** To implement the bill, no additional responsibilities or enforcement obligations are placed on state or local governments.

**Departments Contacted**

Revenue