

**STATE  
FISCAL IMPACT**

**Drafting Number:** LLS 14-0768  
**Prime Sponsor(s):** Sen. King

**Date:** February 6, 2014  
**Bill Status:** Senate Judiciary  
**Fiscal Analyst:** Kristen Koehler (303-866-4918)

**SHORT TITLE:** MOTOR VEHICLE REGISTRATION CARD INFORMATION

Fiscal Impact Summary*	FY 2014-2015	FY 2015-2016
<b>State Revenue</b>		
<b>State Expenditures</b>	<b>\$5,974</b>	<b>\$0</b>
Cash Funds	5,974	0
<b>FTE Position Change</b>		
<b>Appropriation Required:</b> \$5,974 - Department of Revenue (FY 2014-15)		

\* This summary shows changes from current law under the bill for each fiscal year.

**Summary of Legislation**

This bill repeals the requirement that a motor vehicle registration card contain the vehicle owner's address and a signed statement swearing that the owner retains automobile insurance. The bill requires that the signed statement of retention of automobile insurance be moved to the vehicle registration application.

**Background**

Currently, motor vehicle owners submit to the Division of Motor Vehicles (DMV) a combined title and registration application which confirms all information related to the ownership of a specific vehicle. Once the application is processed by the DMV, the vehicle owner receives a notice in the mail and appears in the DMV office to complete the registration process and to receive plates and tabs for the vehicle. Registration applications currently disclose the fact that proof of insurance is mandatory for registration.

Registration cards are printed on special paper specifically designed for the privacy envelopes in which the cards are mailed. Currently, four registration cards are produced for class B, C, D, and F vehicles -- of which, one card is retained by the county, one card is used for accounting purposes, and two cards are mailed to the vehicle owner. Class A vehicles (taxis, cabs) receive only one printed registration card per owner. Current law does not require that two registration cards be mailed to the vehicle owner, but this is done as a courtesy to the owner.

## **State Expenditures**

Overall, the bill is expected to increase one-time state cash fund expenditures in the DOR by \$5,974 for FY 2014-15.

**Assumptions.** The bill has an effective date of July 1, 2014, and applies to registrations issued on or after this date. The fiscal note assumes that the registration process and cards must be operational by the bill's effective date; however, due to the required programming to make system changes, there may be some delay in implementation.

**Department of Revenue.** The bill requires programming of the Colorado State Titling and Registration System (CSTARS) for registration renewals that are completed online. This work will be performed by the Governor's Office of Information Technology and requires 8 hours of programming at \$103 per hour, for a total cost of \$824.

The bill also requires programming of the GenTax system to allow the removal of specific information from the registration of Class A vehicle registration cards. This will require 25 hours of programming at a rate of \$206 per hour, and will be completed by contractor Fast Enterprises, for a total cost of \$5,150.

The DOR will also be required to update rules, forms, manuals, and the department's website to reflect the change in law. Training will also be provided to authorized agents, Title and Registration Section staff, law enforcement, and other entities impacted by the bill. These activities do not require a new appropriation.

## **Effective Date**

The bill takes effect July 1, 2014.

## **State Appropriations**

For FY 2014-15, the Department of Revenue requires a cash fund appropriation of \$5,974 from the CSTARS Account. Additionally, the Governor's Office of Information Technology requires spending authority for \$824 in reappropriated funds.

## **State and Local Government Contacts**

Revenue                      Clerk and Recorders