

**First Regular Session  
Sixty-fifth General Assembly  
STATE OF COLORADO**

**ENGROSSED**

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

LLS NO. 05-0166.01 John Hershey

**SENATE BILL 05-006**

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**SENATE SPONSORSHIP**

**Tupa,** Anderson, Takis, and Taylor

**HOUSE SPONSORSHIP**

**Schultheis,** and Vigil

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**Senate Committees**

Finance

Appropriations

**House Committees**

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**A BILL FOR AN ACT**

101     **CONCERNING THE SUSPENSION OF PROFESSIONAL LICENSES FOR**  
102             **FAILURE TO PAY DEBTS TO THE STATE, AND MAKING AN**  
103             **APPROPRIATION THEREFOR.**

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)*

**Legislative Audit Committee.** Authorizes the state controller to determine whether a person who owes a final debt to the state has a professional or occupational license issued by the department of regulatory agencies. If a debtor has such a license, directs the controller to notify the debtor that the license will be suspended unless the debtor pays the debt or negotiates an acceptable payment plan within a specified time. Allows the debtor to request an administrative hearing.

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.*

SENATE  
Amended 2nd Reading  
April 15, 2005

If the debtor does not pay the debt or negotiate a payment plan, directs the controller to send a request to the licensing agency to suspend the license. Directs the licensing agency to suspend a license when requested by the controller.

Directs the licensing agency to reinstate the license if the debtor pays the debt or negotiates an acceptable payment plan.

Authorizes the executive director of the department of revenue (executive director) to determine whether a person with a delinquent tax liability has a professional or occupational license issued by the department of regulatory agencies. If a taxpayer has such a license, directs the executive director to notify the taxpayer that the license will be suspended unless the taxpayer pays the liability or negotiates an acceptable payment plan within a specified time.

If the taxpayer does not pay the liability or negotiate a payment plan, directs the executive director to send a request to the licensing agency to suspend the license. Directs the licensing agency to suspend a license when requested by the executive director.

Directs the licensing agency to reinstate the license if the taxpayer pays the liability or negotiates a payment plan.

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

2 **SECTION 1.** Part 2 of article 30 of title 24, Colorado Revised  
3 Statutes, is amended BY THE ADDITION OF A NEW SECTION to  
4 read:

5 **24-30-202.8. Suspension of licenses - definitions.** (1) ON AND  
6 AFTER OCTOBER 1, 2005, IF AN AGENCY REFERRING A DEBT TO THE  
7 CONTROLLER      CERTIFIES THAT THE DEBT IS THE SUBJECT OF A FINAL  
8 AGENCY DETERMINATION MADE IN ACCORDANCE WITH THE AGENCY'S  
9 STATUTORY AUTHORITY, IS THE SUBJECT OF A JUDICIAL DECISION, OR HAS  
10 BEEN REDUCED TO JUDGMENT, THE CONTROLLER MAY DETERMINE  
11 WHETHER THE DEBTOR HAS A LICENSE ISSUED BY A DIVISION, BOARD, OR  
12 AGENCY IN THE DEPARTMENT OF REGULATORY AGENCIES, REFERRED TO IN  
13 THIS SECTION AS A "LICENSING AGENCY". THE LICENSING AGENCY SHALL  
14 GIVE THE CONTROLLER ACCESS TO THE INFORMATION NECESSARY TO MAKE

1 THIS DETERMINATION, INCLUDING BUT NOT LIMITED TO THE DEBTOR'S  
2 NAME, ADDRESS, AND SOCIAL SECURITY NUMBER.

3 (2) IF A DEBTOR HAS A LICENSE, THE CONTROLLER SHALL CAUSE  
4 THE DEBTOR TO BE NOTIFIED BY FIRST-CLASS MAIL THAT THE LICENSE WILL  
5 BE SUSPENDED UNLESS THE DEBTOR PAYS THE DEBT IN FULL OR  
6 NEGOTIATES AN ACCEPTABLE PAYMENT PLAN WITH THE CONTROLLER  
7 WITHIN THIRTY DAYS OF THE DATE OF MAILING OF THE NOTICE AND THAT  
8 THE DEBTOR HAS THE RIGHT TO REQUEST AN ADMINISTRATIVE HEARING.

9 (3) (a) NO LATER THAN THIRTY DAYS AFTER THE DATE OF MAILING  
10 OF THE NOTICE TO THE DEBTOR, THE DEBTOR MAY REQUEST IN WRITING  
11 THAT THE CONTROLLER CONDUCT AN ADMINISTRATIVE HEARING. THE  
12 DEBTOR MAY NOT DISPUTE THE VALIDITY OF THE DEBT AT THE HEARING.  
13 THE DECISION OF THE CONTROLLER AT THE HEARING SHALL BE FINAL  
14 AGENCY ACTION AND MAY BE REVIEWED PURSUANT TO SECTION 24-4-106.

15 (b) THE DEBTOR MAY NOT REQUEST THAT THE LICENSING AGENCY  
16 CONDUCT A HEARING ON THE SUSPENSION OF A LICENSE PURSUANT TO THIS  
17 SECTION.

18 (4) IF THE DEBTOR DOES NOT PAY THE DEBT, NEGOTIATE A  
19 PAYMENT PLAN ACCEPTABLE TO THE CONTROLLER, OR REQUEST AN  
20 ADMINISTRATIVE HEARING WITHIN THIRTY DAYS OF THE DATE OF MAILING  
21 OF THE NOTICE, OR IF A HEARING HAS BEEN CONCLUDED AND ALL RIGHTS  
22 OF REVIEW AND APPEAL HAVE BEEN EXHAUSTED, THE CONTROLLER SHALL  
23 SEND TO THE LICENSING AGENCY A REQUEST TO SUSPEND THE LICENSE.  
24 UPON RECEIPT OF THE REQUEST, THE LICENSING AGENCY SHALL SUSPEND  
25 THE DEBTOR'S LICENSE IN ACCORDANCE WITH SECTION 24-34-108.

26 (5) IF A DEBTOR WHOSE LICENSE HAS BEEN SUSPENDED PURSUANT  
27 TO SUBSECTION (4) OF THIS SECTION AND SECTION 24-34-108 (1) PAYS THE

1 DEBT IN FULL OR NEGOTIATES A PAYMENT PLAN ACCEPTABLE TO THE  
2 CONTROLLER, THE CONTROLLER SHALL NOTIFY THE LICENSING AGENCY  
3 AND THE LICENSING AGENCY SHALL REINSTATE THE DEBTOR'S LICENSE IF  
4 THE DEBTOR IS OTHERWISE ENTITLED TO REINSTATEMENT OF THE LICENSE.

5 (6) (a) THE CONTROLLER MAY ENTER INTO MEMORANDA OF  
6 UNDERSTANDING WITH THE LICENSING AGENCIES TO FACILITATE THE  
7 IMPLEMENTATION OF THIS SECTION AND SECTION 24-34-108.

8 (b) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF PERSONNEL  
9 MAY PROMULGATE RULES IN ACCORDANCE WITH ARTICLE 4 OF THIS TITLE  
10 AS NECESSARY TO IMPLEMENT THE PROVISIONS OF THIS SECTION.

11 (7) AS USED IN THIS SECTION, "LICENSE" MEANS A LICENSE,  
12 REGISTRATION, CERTIFICATE, CHARTER, OR MEMBERSHIP ISSUED BY A  
13 DIVISION, BOARD, OR AGENCY OF THE DEPARTMENT OF REGULATORY  
14 AGENCIES FOR AN INDIVIDUAL TO PRACTICE A PROFESSION OR  
15 OCCUPATION.

16 **SECTION 2.** Part 1 of article 34 of title 24, Colorado Revised  
17 Statutes, is amended BY THE ADDITION OF THE FOLLOWING NEW  
18 SECTIONS to read:

19 **24-34-108. Suspension of licenses - debts to the state -**  
20 **definitions.** (1) A DIVISION, BOARD, OR AGENCY IN THE DEPARTMENT OF  
21 REGULATORY AGENCIES, REFERRED TO IN THIS SECTION AS A "LICENSING  
22 AGENCY", SHALL SUSPEND A LICENSE UPON RECEIPT OF A REQUEST TO  
23 SUSPEND THE LICENSE FROM THE CONTROLLER PURSUANT TO SECTION  
24 24-30-202.8 (4). THE LICENSING AGENCY SHALL SUSPEND THE LICENSE IN  
25 ACCORDANCE WITH THE RULES OF THE LICENSING AGENCY AND ANY  
26 MEMORANDUM OF UNDERSTANDING BETWEEN THE LICENSING AGENCY AND  
27 THE CONTROLLER FOR THE IMPLEMENTATION OF THIS SECTION AND

1 SECTION 24-30-202.8.

2 (2) (a) A LICENSING AGENCY MAY ENTER INTO A MEMORANDUM OF  
3 UNDERSTANDING WITH THE CONTROLLER TO FACILITATE THE  
4 IMPLEMENTATION OF THIS SECTION AND SECTION 24-30-202.8.

5 (b) A LICENSING AGENCY MAY PROMULGATE RULES IN  
6 ACCORDANCE WITH ARTICLE 4 OF THIS TITLE AS NECESSARY TO IMPLEMENT  
7 THE PROVISIONS OF THIS SECTION.

8 (3) (a) NOTHING IN THIS SECTION SHALL LIMIT THE ABILITY OF A  
9 LICENSING AGENCY TO SUSPEND A LICENSE ON ANY OTHER GROUNDS  
10 PROVIDED BY LAW.

11 (b) A LICENSING AGENCY OR ANY PERSON ACTING ON ITS BEHALF  
12 SHALL NOT BE LIABLE FOR ANY ACTION TAKEN TO SUSPEND A LICENSE  
13 PURSUANT TO THIS SECTION.

14 (4) AS USED IN THIS SECTION, "LICENSE" MEANS A LICENSE,  
15 REGISTRATION, CERTIFICATE, CHARTER, OR MEMBERSHIP ISSUED BY A  
16 DIVISION, BOARD, OR AGENCY OF THE DEPARTMENT OF REGULATORY  
17 AGENCIES FOR AN INDIVIDUAL TO PRACTICE A PROFESSION OR  
18 OCCUPATION.

19 **24-34-109. Suspension of licenses - delinquent state taxes -**  
20 **definitions.** (1) A DIVISION, BOARD, OR AGENCY IN THE DEPARTMENT OF  
21 REGULATORY AGENCIES, REFERRED TO IN THIS SECTION AS A "LICENSING  
22 AGENCY", SHALL SUSPEND A LICENSE UPON RECEIPT OF A REQUEST TO  
23 SUSPEND THE LICENSE FROM THE EXECUTIVE DIRECTOR OF THE  
24 DEPARTMENT OF REVENUE PURSUANT TO SECTION 24-35-118 (3). THE  
25 LICENSING AGENCY SHALL SUSPEND THE LICENSE IN ACCORDANCE WITH  
26 THE RULES OF THE LICENSING AGENCY AND ANY MEMORANDUM OF  
27 UNDERSTANDING BETWEEN THE LICENSING AGENCY AND THE DEPARTMENT

1 OF REVENUE FOR THE IMPLEMENTATION OF THIS SECTION AND SECTION  
2 24-35-118.

3 (2) (a) A LICENSING AGENCY MAY ENTER INTO A MEMORANDUM OF  
4 UNDERSTANDING WITH THE DEPARTMENT OF REVENUE TO FACILITATE THE  
5 IMPLEMENTATION OF THIS SECTION AND SECTION 24-35-118.

6 (b) A LICENSING AGENCY MAY PROMULGATE RULES IN  
7 ACCORDANCE WITH ARTICLE 4 OF THIS TITLE AS NECESSARY TO IMPLEMENT  
8 THE PROVISIONS OF THIS SECTION.

9 (3) (a) NOTHING IN THIS SECTION SHALL LIMIT THE ABILITY OF A  
10 LICENSING AGENCY TO SUSPEND A LICENSE ON ANY OTHER GROUNDS  
11 PROVIDED BY LAW.

12 (b) A LICENSING AGENCY OR ANY PERSON ACTING ON ITS BEHALF  
13 SHALL NOT BE LIABLE FOR ANY ACTION TAKEN TO SUSPEND A LICENSE  
14 PURSUANT TO THIS SECTION.

15 (4) AS USED IN THIS SECTION, "LICENSE" MEANS A LICENSE,  
16 REGISTRATION, CERTIFICATE, CHARTER, OR MEMBERSHIP ISSUED BY A  
17 DIVISION, BOARD, OR AGENCY OF THE DEPARTMENT OF REGULATORY  
18 AGENCIES FOR AN INDIVIDUAL TO PRACTICE A PROFESSION OR  
19 OCCUPATION.

20 **SECTION 3.** Part 1 of article 35 of title 24, Colorado Revised  
21 Statutes, is amended BY THE ADDITION OF A NEW SECTION to  
22 read:

23 **24-35-118. Suspension of licenses - definitions.** (1) ON AND  
24 AFTER OCTOBER 1, 2005, THE EXECUTIVE DIRECTOR OF THE DEPARTMENT  
25 OF REVENUE MAY DETERMINE WHETHER A TAXPAYER WITH A DELINQUENT  
26 TAX LIABILITY HAS A LICENSE ISSUED BY A DIVISION, BOARD, OR AGENCY  
27 IN THE DEPARTMENT OF REGULATORY AGENCIES, REFERRED TO IN THIS

1 SECTION AS A "LICENSING AGENCY". THE LICENSING AGENCY SHALL GIVE  
2 THE EXECUTIVE DIRECTOR ACCESS TO THE INFORMATION NECESSARY TO  
3 MAKE THIS DETERMINATION, INCLUDING BUT NOT LIMITED TO THE  
4 DEBTOR'S NAME, ADDRESS, AND SOCIAL SECURITY NUMBER.

5 (2) IF A TAXPAYER WITH A DELINQUENT TAX LIABILITY HAS A  
6 LICENSE, THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE  
7 SHALL CAUSE THE TAXPAYER TO BE NOTIFIED BY FIRST-CLASS MAIL THAT  
8 THE LICENSE WILL BE SUSPENDED UNLESS THE TAXPAYER PAYS THE  
9 LIABILITY IN FULL OR NEGOTIATES AN ACCEPTABLE PAYMENT PLAN WITH  
10 THE EXECUTIVE DIRECTOR WITHIN THIRTY DAYS OF THE DATE OF MAILING  
11 OF THE NOTICE.

12 (3) IF THE TAXPAYER DOES NOT PAY THE DELINQUENT TAX  
13 LIABILITY OR NEGOTIATE A PAYMENT PLAN ACCEPTABLE TO THE  
14 EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE WITHIN THIRTY  
15 DAYS OF THE DATE OF MAILING OF THE NOTICE, THE EXECUTIVE DIRECTOR  
16 SHALL SEND TO THE LICENSING AGENCY A REQUEST TO SUSPEND THE  
17 LICENSE. UPON RECEIPT OF THE REQUEST, THE LICENSING AGENCY SHALL  
18 SUSPEND THE TAXPAYER'S LICENSE IN ACCORDANCE WITH SECTION  
19 24-34-109. THE TAXPAYER MAY NOT REQUEST THAT THE LICENSING  
20 AGENCY CONDUCT A HEARING ON THE SUSPENSION OF A LICENSE  
21 PURSUANT TO THIS SECTION.

22 (4) IF A TAXPAYER WHOSE LICENSE HAS BEEN SUSPENDED  
23 PURSUANT TO SUBSECTION (3) OF THIS SECTION AND SECTION 24-34-109  
24 (1) PAYS THE DELINQUENT TAX LIABILITY IN FULL OR NEGOTIATES A  
25 PAYMENT PLAN ACCEPTABLE TO THE EXECUTIVE DIRECTOR OF THE  
26 DEPARTMENT OF REVENUE, THE EXECUTIVE DIRECTOR SHALL NOTIFY THE  
27 LICENSING AGENCY AND THE LICENSING AGENCY SHALL REINSTATE THE

1 TAXPAYER'S LICENSE IF THE TAXPAYER IS OTHERWISE ENTITLED TO  
2 REINSTATEMENT OF THE LICENSE.

3 (5) (a) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF  
4 REVENUE MAY ENTER INTO MEMORANDA OF UNDERSTANDING WITH THE  
5 LICENSING AGENCIES TO FACILITATE THE IMPLEMENTATION OF THIS  
6 SECTION AND SECTION 24-34-109.

7 (b) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE  
8 MAY PROMULGATE RULES IN ACCORDANCE WITH ARTICLE 4 OF THIS TITLE  
9 AS NECESSARY TO IMPLEMENT THE PROVISIONS OF THIS SECTION.

10 (6) AS USED IN THIS SECTION:

11 (a) "DELINQUENT TAX LIABILITY" MEANS A DUTY TO PAY A  
12 LIABILITY ON A TAX COLLECTED BY THE DEPARTMENT OF REVENUE ON  
13 WHICH THE TAXPAYER HAS EXHAUSTED OR FAILED TO EXHAUST ALL  
14 AVAILABLE ADMINISTRATIVE AND APPEAL REMEDIES PROVIDED BY  
15 SECTIONS 39-21-103 AND 39-21-105, C.R.S.

16 (b) "LICENSE" MEANS A LICENSE, REGISTRATION, CERTIFICATE,  
17 CHARTER, OR MEMBERSHIP ISSUED BY A DIVISION, BOARD, OR AGENCY OF  
18 THE DEPARTMENT OF REGULATORY AGENCIES FOR AN INDIVIDUAL TO  
19 PRACTICE A PROFESSION OR OCCUPATION.

20 **SECTION 4. Appropriation.** (1) In addition to any other  
21 appropriation, there is hereby appropriated, out of any moneys in the  
22 general fund not otherwise appropriated, to the department of personnel  
23 and administration, for the fiscal year beginning July 1, 2005, the sum of  
24 twenty-thousand dollars (\$20,000), or so much thereof as may be  
25 necessary, for the implementation of this act.

26 (2) In addition to any other appropriation, there is hereby  
27 appropriated, out of any moneys in the general fund not otherwise



1 appropriated, to the department of revenue, for the fiscal year beginning  
2 July 1, 2005, the sum of six thousand one hundred seven dollars (\$6,107),  
3 or so much thereof as may be necessary, for the implementation of this  
4 act.

5 (3) In addition to any other appropriation, there is hereby  
6 appropriated, out of various cash funds within the department of  
7 regulatory agencies not otherwise appropriated, to the department of  
8 regulatory agencies, for indirect costs, for the fiscal year beginning July  
9 1, 2005, the sum of twelve thousand seven hundred fifty-five dollars  
10 (\$12,755), or so much thereof as may be necessary, for the  
11 implementation of this act.

12 (4) In addition to any other appropriation, there is hereby  
13 appropriated to the department of regulatory agencies, executive director's  
14 office, for the fiscal year beginning July 1, 2005, the sum of twelve  
15 thousand seven hundred fifty-five dollars (\$12,755), or so much thereof  
16 as may be necessary, for the implementation of this act. Said sum shall  
17 be cash funds exempt transferred to the executive director's office out of  
18 the appropriation made in subsection (3) of this section.

19 (5) It is the intent of the general assembly that the general fund  
20 appropriations in subsections (1) and (2) of this section shall be derived  
21 from savings generated from the implementation of the provisions of  
22 House Bill 05-1243, as enacted during the First Regular Session of the  
23 Sixty-fifth General Assembly.

24 **SECTION 5. Effective date.** This act shall take effect only if:

25 (a) House Bill 05-1243 is enacted during the First Regular Session  
26 of the Sixty-fifth General Assembly;

27 (b) The final fiscal estimate for House Bill 05-1243, as

1 determined from the appropriations enacted in that bill, shows a net  
2 reduction in the amount of general fund revenues appropriated for the  
3 state fiscal year 2005-06 that is equal to or greater than the sum of the  
4 amount of the general fund and cash funds appropriations made for the  
5 implementation of this act for the state fiscal year 2005-06, as reflected  
6 in section 4 of this act; and

7 (c) The staff director of the joint budget committee files written  
8 notice with the revisor of statutes no later than July 15, 2005, that the  
9 requirement set forth in paragraph (b) of this subsection (2) has been met.

10 **SECTION 6. Safety clause.** The general assembly hereby finds,  
11 determines, and declares that this act is necessary for the immediate  
12 preservation of the public peace, health, and safety.