

Second Regular Session  
Sixty-fifth General Assembly  
STATE OF COLORADO

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 06-0392.02 Ed DeCecco

**HOUSE BILL 06-1007**

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**HOUSE SPONSORSHIP**

**Decker,**

**SENATE SPONSORSHIP**

**Williams,**

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**House Committees**  
Transportation & Energy

**Senate Committees**  
Transportation

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**A BILL FOR AN ACT**

101 **CONCERNING THE TRANSFER OF A MOTOR VEHICLE TO A PERSON NOT**  
102 **LICENSED AS A MOTOR VEHICLE DEALER FOR THE PURPOSE OF**  
103 **SCRAPPING THE MOTOR VEHICLE.**

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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.)*

Prohibits a person who purchases or otherwise receives a motor vehicle or a numbered motor vehicle part for the purpose of scrapping the motor vehicle or part, unless the person receives specified documents. Requires the person to contact a local law enforcement agency to see if the motor vehicle or part was stolen. Requires the person to send certain documents to the department of revenue (department) within a specified

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  
3rd Reading Unamended  
February 14, 2006

HOUSE  
Amended 2nd Reading  
February 13, 2006

time. Requires the person to keep an abandoned motor vehicle for a specified time before scrapping it. Establishes a penalty for a person who fails to comply with these requirements. Exempts a licensed motor vehicle dealer from these requirements.

Requires the department to keep records related to abandoned vehicles that are wrecked or dismantled for a specified time. Requires the executive director of the department to establish a form to be used for motor vehicles sold or transferred to a salvage yard.

Defines terms.

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

2 **SECTION 1.** 42-4-1810 (1) (b), Colorado Revised Statutes, is  
3 amended to read:

4 **42-4-1810. Transfer and purge of certificates of title.**

5 (1) Whenever any motor vehicle is abandoned and removed and sold in  
6 accordance with the procedures set forth in this part 18, the department  
7 shall transfer the certificate of title or issue a new certificate of title or  
8 shall purge such certificate of title in either of the following cases:

9 (b) Upon a person's submission of documents indicating the  
10 abandonment, removal, and subsequent wrecking or dismantling of a  
11 motor vehicle, including all sales of abandoned motor vehicles with an  
12 appraised value under two hundred dollars that are conducted pursuant to  
13 section 42-4-1805 (2), the department shall KEEP THE RECORDS FOR ONE  
14 YEAR AND THEN purge the records for such abandoned motor vehicle;  
15 EXCEPT THAT THE DEPARTMENT SHALL NOT BE REQUIRED TO WAIT BEFORE  
16 PURGING THE RECORDS IF THE PURCHASER IS A LICENSED MOTOR VEHICLE  
17 DEALER.

18 **SECTION 2.** 42-4-2109 (1) (b), Colorado Revised Statutes, is  
19 amended to read:

20 **42-4-2109. Transfer and purge of certificates of title.**

1 (1) Whenever any motor vehicle is abandoned and removed and sold in  
2 accordance with the procedures set forth in this part 21, the department  
3 shall transfer the certificate of title or issue a new certificate of title or  
4 shall purge such certificate of title in either of the following cases:

5 (b) Upon a person's submission of documents indicating the  
6 abandonment, removal, and subsequent wrecking or dismantling of a  
7 motor vehicle, including all sales of abandoned motor vehicles with an  
8 appraised value of two hundred dollars or less that are conducted pursuant  
9 to section 42-4-2104 (2) and all sales of abandoned motor vehicles, as  
10 defined in section 42-4-2104.5 (2) (a), with an appraised value of two  
11 hundred dollars or less that are conducted pursuant to section 42-4-2104.5  
12 (4) (e) (II), the department shall KEEP THE RECORDS FOR ONE YEAR AND  
13 THEN purge the records for such abandoned motor vehicle; EXCEPT THAT  
14 THE DEPARTMENT SHALL NOT BE REQUIRED TO WAIT BEFORE PURGING THE  
15 RECORDS IF THE PURCHASER IS A LICENSED MOTOR VEHICLE DEALER.

16 **SECTION 3.** Article 4 of title 42, Colorado Revised Statutes, is  
17 amended BY THE ADDITION OF A NEW PART to read:

18 **PART 22**

19 **SCRAPPING MOTOR VEHICLES**

20 **42-4-2201. Definitions.** AS USED IN THIS PART 22, UNLESS THE  
21 CONTEXT OTHERWISE REQUIRES:

22

23 (1) "LICENSED MOTOR VEHICLE DEALER" MEANS A MOTOR VEHICLE  
24 DEALER THAT IS LICENSED PURSUANT TO PART 1 OF ARTICLE 6 OF TITLE 12,  
25 C.R.S.

26 (2) "OPERATOR" MEANS A PERSON OR A FIRM LICENSED BY THE  
27 PUBLIC UTILITIES COMMISSION AS A TOWING CARRIER.

1 (3) "SCRAPPING" MEANS SCRAPPING, CRUSHING, OR DISMANTLING.

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3 **42-4-2202. Disposal for scrapping.** (1) NO PERSON WHO IS NOT  
4 A LICENSED MOTOR VEHICLE DEALER SHALL PURCHASE OR OTHERWISE  
5 RECEIVE A MOTOR VEHICLE FOR THE PURPOSE OF SCRAPPING THE  
6 VEHICLE, UNLESS THE SELLER OR TRANSFEROR:

7 (a) IS THE OWNER ON THE CERTIFICATE OF TITLE, AN OPERATOR, OR  
8 A LICENSED MOTOR VEHICLE DEALER; AND

9 (b) PROVIDES A COMPLETED BILL OF SALE ON A FORM PRESCRIBED  
10 BY THE DEPARTMENT OF REVENUE.

11 (2) A PERSON OTHER THAN A LICENSED MOTOR VEHICLE DEALER  
12 WHO PURCHASES OR OTHERWISE RECEIVES A MOTOR VEHICLE FOR THE  
13 PURPOSE OF SCRAPPING THE VEHICLE SHALL KEEP THE VEHICLE FOR SEVEN  
14 BUSINESS DAYS BEFORE SCRAPPING IT. DURING THE SEVEN DAYS, THE  
15 MOTOR VEHICLE, THE BILL OF SALE, AND, IF APPLICABLE, THE DAILY  
16 RECORD REQUIRED PURSUANT TO SECTION 42-5-105 SHALL BE OPEN AT  
17 ALL TIMES DURING REGULAR BUSINESS HOURS TO INSPECTION BY THE  
18 DEPARTMENT OF REVENUE OR ANY PEACE OFFICER.

19 (3) ANY PERSON VIOLATING ANY PROVISION OF THIS SECTION IS  
20 GUILTY OF A MISDEMEANOR AND, UPON CONVICTION THEREOF, SHALL BE  
21 PUNISHED BY A FINE OF NOT MORE THAN FIVE HUNDRED DOLLARS FOR THE  
22 FIRST OFFENSE AND ONE THOUSAND DOLLARS FOR EACH SUBSEQUENT  
23 OFFENSE.

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25 **SECTION 4. Effective date - applicability.** This act shall take  
26 effect July 1, 2006, and shall apply to sales or transfers of motor vehicles,  
27 or parts thereof, on or after said date.

1           **SECTION 5. Safety clause.** The general assembly hereby finds,  
2 determines, and declares that this act is necessary for the immediate  
3 preservation of the public peace, health, and safety.