

First Regular Session
Sixty-third General Assembly
STATE OF COLORADO

REENGROSSED

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

LLS NO. 01-0014.03 Thomas Morris

HOUSE BILL 01-1091

HOUSE SPONSORSHIP

Paschall,

SENATE SPONSORSHIP

Hagedorn,

House Committees

Transportation & Energy
Finance
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING A METHOD FOR PAYMENT OF THE COSTS ASSOCIATED**
102 **WITH EXPANDING THE CLEAN SCREEN PROGRAM, AND, IN**
103 **CONNECTION THEREWITH, PROVIDING FOR THE PAYMENT OF**
104 **CLEAN SCREEN INSPECTION FEES THROUGH A CLEAN SCREEN**
105 **ENTERPRISE.**

Bill Summary

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

Authorizes operation of the clean screen motor vehicle emissions inspection program in the enhanced emissions program area beginning January 1, 2002. Authorizes operation of the clean screen program in the Larimer and Weld county portions of the basic emissions program area as

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 3rd Reading
February 9, 2001

HOUSE
Amended 2nd Reading
February 8, 2001

expeditiously as possible, and allows the Pikes Peak area council of governments to petition the air quality control commission to exclude the El Paso county portion of the basic emissions program area. Deletes the requirement for the general assembly to hold a hearing to determine whether there is a need for the AIR program. Deletes the requirement for emissions stickers. Sets the term of the contract to perform the clean screen inspections at 4 years and allows the contract to be renewed without rebidding. Requires the contractor to notify the department of revenue of vehicles it has determined, either through an inspection or a clean screen, comply with the inspection requirements. Limits the fee for such inspections to no more than \$25.

Allows a county clerk and recorder to issue a registration for a vehicle that has passed a clean screen when the department of revenue notifies the clerk, in accordance with information provided to the department by the contractor, that such vehicle does not need an emissions inspection.

Creates an enterprise under section 20 of article X of the state constitution and vests the enterprise with authority to collect and distribute fees for operation of the clean screen program.

Requires clerks to collect an emissions inspection fee for each vehicle registered in the program area that has passed a clean screen and to transmit such fee to the enterprise. Directs the enterprise to transmit the fees to the state treasurer for deposit in a newly created clean screen fund. Directs the enterprise to pay out the moneys in the trust account monthly to the contractor upon receipt by the enterprise, through the department of revenue, of a notification from the contractor of the number of clean screen inspections completed by the contractor in the previous month.

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

2 **SECTION 1. Legislative declaration.** The general assembly
3 hereby declares that it intends to encourage the department of public
4 health and environment to focus its efforts on remote sensing technology
5 for monitoring vehicle emissions and to enter into a contract for
6 implementation of the clean screen program in the enhanced program area
7 by April 1, 2001, or as soon thereafter as is feasible. Such
8 implementation will enhance Colorado's ability to claim credits in the
9 state implementation plan for the reduction of pollutants achieved as a

1 result of the clean screen program. It is the intent of the general assembly
2 that there be a smooth transition between the current contract and the next
3 contract and that the clean screen program be extended to the enhanced
4 program areas as soon as possible to maximize citizen convenience.
5 Discussions with the current contractor have established that the
6 contractor will agree to start the clean screen program at the earliest date
7 allowed by the new state implementation plan and to stabilize the testing
8 fee for the next four years. The general assembly also intends that the
9 contract for the clean screen program in the enhanced and basic program
10 areas specify that the inspection fee to be charged by the contractor shall
11 not exceed the statutory cap set in section 42-4-311 (6), Colorado Revised
12 Statutes, and that the contractor shall purchase and maintain all clean
13 screen program equipment and software to be used by the contractor in
14 conjunction with the department of revenue and shall have it operational
15 within six months after a new contract is signed. Finally, the general
16 assembly intends that unless there is a compelling reason to the contrary,
17 the department of public health and environment should begin discussions
18 for a new contract with a contractor that has operated in another state both
19 centralized testing and remote sensing at the earliest possible date.

20 **SECTION 2.** 42-4-304 (5), Colorado Revised Statutes, is
21 amended, and the said 42-4-304 is further amended BY THE ADDITION
22 OF A NEW SUBSECTION, to read:

23 **42-4-304. Definitions relating to automobile inspection and**
24 **readjustment program.** As used in sections 42-4-301 to 42-4-316,
25 unless the context otherwise requires:

26 (5) "Contractor" means any person, partnership, entity, or
27 corporation that is awarded a contract ~~or service agreement~~ by the state of

1 Colorado through a ~~competitive bid process conducted by~~ the division in
2 consultation with the executive director and in accordance with the
3 "Procurement Code", articles 101 to 112 of title 24, C.R.S., and section
4 42-4-306, to provide inspection services for vehicles required to be
5 inspected pursuant to section 42-4-310 within the enhanced program area,
6 as set forth in subsection (9) of this section, ~~and~~ to operate enhanced
7 inspection centers necessary to perform inspections, ~~Any such contractor~~
8 ~~shall establish new enhanced inspection centers and shall update existing~~
9 ~~technical centers in the enhanced program area to the same level of~~
10 ~~inspection technology as enhanced inspection centers~~ AND TO OPERATE
11 THE CLEAN SCREEN PROGRAM WITHIN THE PROGRAM AREA.

12 (8.5) "ENHANCED EMISSIONS INSPECTION" MEANS A MOTOR
13 VEHICLE EMISSIONS INSPECTION CONDUCTED PURSUANT TO THE ENHANCED
14 EMISSIONS PROGRAM, INCLUDING A DETECTION OF HIGH EMISSIONS BY
15 REMOTE SENSING, AN IDENTIFICATION OF HIGH EMITTERS, A CLEAN SCREEN
16 INSPECTION, OR AN INSPECTION CONDUCTED AT AN ENHANCED INSPECTION
17 CENTER.

18 **SECTION 3.** 42-4-306 (3) (a) (I) (C), (3) (b) (I), (3) (b) (IV), (17)
19 (e), and (23), Colorado Revised Statutes, are amended to read:

20 **42-4-306. Powers and duties of commission - automobile**
21 **inspection and readjustment program - basic emissions program -**
22 **enhanced emissions program - clean screen program.**

23 (3) (a) (I) (C) Upon the adoption of specifications for measuring
24 instruments and test analyzer systems, the division in consultation with
25 the executive director ~~shall~~ MAY let bids for the procurement of
26 instruments ~~which~~ THAT meet federal requirements or guidelines and the
27 standards of the federal act. The invitation for bids for test analyzer

1 systems for the basic program and the inspection-only facilities in the
2 enhanced program shall include, but shall not be limited to, the
3 requirements for data collection and electronic transfer of data as
4 established by the commission, service and maintenance requirements for
5 such instruments for the period of the contract, requirements for
6 replacement or loan instruments in the event that the purchased or leased
7 instruments do not function, and the initial purchase or lease price. On
8 and after ~~May 26, 1998~~, THE EFFECTIVE DATE OF THIS SUB-SUBPARAGRAPH
9 (C), AS AMENDED, each contract for the purchase of such instruments shall
10 have a term of no more than ~~five~~ FOUR years. ~~and shall be subject to~~
11 ~~rebidding under the provisions of this paragraph (a).~~

12 (b) (I) For the enhanced emissions program, the commission shall
13 develop system design standards, performance standards, and contractor
14 requirements. Upon the adoption of such criteria, ~~an open competitive~~
15 ~~request for proposals shall be issued by~~ the division in consultation with
16 the executive director MAY, according to ~~established~~ procedures and
17 protocol ~~to establish~~ ESTABLISHED IN THE "PROCUREMENT CODE",
18 ARTICLES 101 TO 112 OF TITLE 24, C.R.S., ENTER INTO a contract for the
19 design, construction, equipment, maintenance, and operation of enhanced
20 inspection centers to serve affected motorists. ~~The request for proposals~~
21 CRITERIA FOR THE AWARD OF SUCH CONTRACT shall include, but shall not
22 be limited to, such criteria as ~~bidders'~~ THE CONTRACTOR'S qualifications
23 and experience in providing emissions inspection services, financial and
24 personnel resources available for start-up, technical or management
25 expertise, and capacity to satisfy such requirements for the life of the
26 contract.

27 (IV) On and after ~~May 26, 1998~~ THE EFFECTIVE DATE OF THIS

1 SUBPARAGRAPH (IV), AS AMENDED, any contract for inspection services
2 shall have a term of no more than ~~five~~ FOUR years and ~~shall~~ MAY be
3 subject to rebidding under the provisions of this paragraph ~~(b)~~ RENEWED.

4 (17) (e) ~~(f)~~ The network of enhanced inspection centers shall be
5 located to provide adequate coverage and convenience. ~~At least eighty~~
6 ~~percent of the population shall be within an average of five miles of an~~
7 ~~enhanced inspection center, and at least ninety-five percent of the~~
8 ~~population shall be within an average of twelve miles of an enhanced~~
9 ~~inspection center.~~ AT A MINIMUM, THE LEVEL OF COVERAGE AND
10 CONVENIENCE SHALL BE EQUIVALENT TO THE NETWORK THAT EXISTED ON
11 JANUARY 1, 2000.

12 ~~(H) Demographic studies shall be performed by the contractor or~~
13 ~~contractors, compared to that of the state demographer, and used by the~~
14 ~~commission in establishing center location requirements to ensure that~~
15 ~~siting reflects density and distribution of census populations.~~

16 ~~(HH) A separate demographic analysis shall be done for Boulder~~
17 ~~county and Douglas county. The convenience factors set forth in~~
18 ~~paragraphs (b), (c), and (d) of this subsection (17) shall be applied~~
19 ~~separately to Boulder county and Douglas county.~~

20 ~~(IV) Local jurisdictions and the department of revenue shall be~~
21 ~~consulted to optimize demographic analysis.~~

22 (23) (a) The commission shall promulgate rules governing the
23 operation of the clean screen program. Such rules shall authorize the
24 division to commence the clean screen program in the ~~Weld county and~~
25 ~~Larimer county portions of the~~ basic emissions program AREA
26 commencing January 1, 1999, or as expeditiously as possible thereafter.
27 Such rules shall authorize the division to extend, if feasible, the clean

1 screen program to other parts of the state upon request of the lead air
2 quality planning agencies for each respective area. Such rules shall
3 govern operation of the clean screen program pursuant to the contract or
4 service agreement entered into under section 42-4-307 (10.5). Such rules
5 shall determine the percentage of the vehicle fleet targeted for the clean
6 screen program, which percentage shall develop a target of the eligible
7 vehicle fleet that meets air quality needs. Such rules shall specify
8 emission levels for vehicles in the same manner as for other vehicles in
9 the basic emissions program. THE COMMISSION MAY, UPON WRITTEN
10 REQUEST OF THE PIKES PEAK AREA COUNCIL OF GOVERNMENTS, EXCLUDE
11 THE EL PASO COUNTY PORTION OF THE BASIC EMISSIONS PROGRAM AREA
12 FROM THE CLEAN SCREEN PROGRAM IF THE DEPARTMENT OF PUBLIC
13 HEALTH AND ENVIRONMENT RECEIVES WRITTEN NOTIFICATION FROM THE
14 PIKES PEAK AREA COUNCIL OF GOVERNMENTS TO SUCH EFFECT BY MAY 1,
15 2001.

16 (b) THE RULES PROMULGATED PURSUANT TO PARAGRAPH (a) OF
17 THIS SUBSECTION (23) SHALL ALSO AUTHORIZE THE DIVISION TO COMMENCE
18 THE CLEAN SCREEN PROGRAM IN THE ENHANCED EMISSIONS PROGRAM AREA
19 COMMENCING JANUARY 1, 2002.

20 **SECTION 4.** 42-4-307 (6) (a), (10) (b), and (10.5) (a), Colorado
21 Revised Statutes, are amended to read:

22 **42-4-307. Powers and duties of the department of public health**
23 **and environment - division of administration - automobile inspection**
24 **and readjustment program - basic emissions program - enhanced**
25 **emissions program - clean screen program - repeal.** (6) (a) (I) The
26 division shall administer, in accordance with federal requirements, the
27 on-road remote sensing program. ~~which shall include the measurement of~~

1 at least five-tenths of one percent of the vehicles required to participate in
2 the enhanced emissions program annually.

3 (II) Pursuant to commission rule and based on confirmatory tests
4 at an emissions technical center ~~which~~ OREMISSIONS INSPECTION FACILITY
5 THAT identify such vehicles as exceeding applicable emissions standards,
6 off-cycle repairs may be required for noncomplying vehicles.

7 (10) (b) Upon approval by the department of public health and
8 environment and the executive director, the contractor shall provide
9 inspection services for vehicles within the enhanced program area
10 required to be inspected pursuant to section 42-4-310. THE DEPARTMENT
11 OF PUBLIC HEALTH AND ENVIRONMENT AND THE EXECUTIVE DIRECTOR
12 SHALL ENTER INTO A CONTRACT PURSUANT TO THIS SUBSECTION (10) TO
13 ENSURE THAT, ON OR AFTER DECEMBER 31, 2001, INSPECTION SERVICES IN
14 THE ENHANCED PROGRAM AREA WILL NOT BE INTERRUPTED BY THE
15 EXPIRATION OF THE PREVIOUS CONTRACT.

16 (10.5) (a) For the clean screen program and the Denver clean
17 screening pilot study, the department of public health and environment
18 and the department of revenue may, pursuant to the "Procurement Code",
19 articles 101 to 112 of title 24, C.R.S., enter into a contract ~~or contracts, or~~
20 ~~service agreement or agreements,~~ with ~~contractors~~ A CONTRACTOR for the
21 purchase of equipment, the collection of remote sensing and other data
22 and operation of remote sensing and support equipment, data processing
23 and vehicle ownership matching in cooperation with the executive
24 director, collection of remote sensing and other data for the Denver clean
25 screening pilot study, including analysis of the results of such study and
26 report preparation. Under any such contract ~~or service agreement,~~ the
27 department of public health and environment and the department of

1 revenue may purchase approved remote sensing and support equipment
2 or authorize the use of a qualified contractor or contractors to purchase
3 approved remote sensing and support equipment for use in the clean
4 screen program. ~~The department of revenue and any such contractor may~~
5 ~~charge a fee not to exceed fifteen dollars or such lesser amount as~~
6 ~~established by the department of revenue and any such contractor to the~~
7 ~~owner of each vehicle voluntarily inspected under the clean screen~~
8 ~~program.~~ THE CONTRACTOR PURSUANT TO THIS SUBSECTION (10.5) SHALL
9 BE THE SAME AS THE CONTRACTOR PURSUANT TO SUBSECTION (10) OF THIS
10 SECTION. THE CONTRACTOR SHALL MAKE ONE-TIME TRANSFERS INTO THE
11 CLEAN SCREEN FUND CREATED IN SECTION 42-3-134 (26) (a) (III) IN A
12 TOTAL AMOUNT NECESSARY TO COVER COMPUTER PROGRAMMING COSTS
13 ASSOCIATED WITH IMPLEMENTATION OF HOUSE BILL 01-1091, ENACTED AT
14 THE FIRST REGULAR SESSION OF THE SIXTY-THIRD GENERAL ASSEMBLY, IN
15 THE FOLLOWING ORDER:

16 (I) UP TO THIRTY THOUSAND DOLLARS FROM THE CONTRACTOR'S
17 REVENUES;

18 (II) UP TO THIRTY THOUSAND DOLLARS FROM THE PUBLIC
19 RELATIONS ACCOUNT PROVIDED FOR IN THE CONTRACT; AND

20 (III) UP TO FORTY THOUSAND DOLLARS FROM THE TECHNICAL
21 CENTER ACCOUNT PROVIDED FOR IN THE CONTRACT.

22 **SECTION 5.** Part 3 of article 4 of title 42, Colorado Revised
23 Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

24 **42-4-307.5. Clean screen authority - enterprise - revenue**
25 **bonds.** (1) THERE IS HEREBY CREATED A CLEAN SCREEN AUTHORITY
26 CONSISTING OF THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF PUBLIC
27 HEALTH AND ENVIRONMENT AND EXECUTIVE DIRECTOR OF THE

1 DEPARTMENT OF REVENUE OR THEIR DESIGNEE AND ANY NECESSARY
2 SUPPORT STAFF. THE AUTHORITY SHALL CONSTITUTE AN ENTERPRISE FOR
3 THE PURPOSES OF SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION
4 SO LONG AS IT RETAINS THE AUTHORITY TO ISSUE REVENUE BONDS AND
5 RECEIVES LESS THAN TEN PERCENT OF ITS TOTAL ANNUAL REVENUES IN
6 GRANTS, AS DEFINED IN SECTION 24-77-102 (7), C.R.S., FROM ALL
7 COLORADO STATE AND LOCAL GOVERNMENTS COMBINED. SO LONG AS IT
8 CONSTITUTES AN ENTERPRISE PURSUANT TO THE PROVISIONS OF THIS
9 SECTION, THE AUTHORITY SHALL NOT BE A DISTRICT FOR PURPOSES OF
10 SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION.

11 (2) (a) THE AUTHORITY MAY, BY RESOLUTION THAT MEETS THE
12 REQUIREMENTS OF SUBSECTION (3) OF THIS SECTION, AUTHORIZE AND ISSUE
13 REVENUE BONDS IN AN AMOUNT NOT TO EXCEED FIVE MILLION DOLLARS IN
14 THE AGGREGATE FOR EXPENSES OF THE AUTHORITY. SUCH BONDS MAY BE
15 ISSUED ONLY AFTER APPROVAL BY BOTH HOUSES OF THE GENERAL
16 ASSEMBLY ACTING EITHER BY BILL OR JOINT RESOLUTION AND AFTER
17 APPROVAL BY THE GOVERNOR IN ACCORDANCE WITH SECTION 39 OF
18 ARTICLE V OF THE STATE CONSTITUTION. SUCH BONDS SHALL BE PAYABLE
19 ONLY FROM MONEYS ALLOCATED TO THE AUTHORITY FOR EXPENSES OF THE
20 DIVISION AND THE COMMISSION PURSUANT TO SECTIONS 42-4-306 AND
21 42-4-307.

22 (b) ALL BONDS ISSUED BY THE AUTHORITY SHALL PROVIDE THAT:

23 (I) NO HOLDER OF ANY SUCH BOND MAY COMPEL THE STATE OR
24 ANY SUBDIVISION THEREOF TO EXERCISE ITS APPROPRIATION OR TAXING
25 POWER; AND

26 (II) THE BOND DOES NOT CONSTITUTE A DEBT OF THE STATE AND IS
27 PAYABLE ONLY FROM THE NET REVENUES ALLOCATED TO THE AUTHORITY

1 FOR EXPENSES AS DESIGNATED IN SUCH BOND.

2 (3) (a) ANY RESOLUTION AUTHORIZING THE ISSUANCE OF BONDS
3 UNDER THE TERMS OF THIS SECTION SHALL STATE:

4 (I) THE DATE OF ISSUANCE OF THE BONDS;

5 (II) A MATURITY DATE OR DATES DURING A PERIOD NOT TO EXCEED
6 THIRTY YEARS FROM THE DATE OF ISSUANCE OF THE BONDS;

7 (III) THE INTEREST RATE OR RATES ON, AND THE DENOMINATION OR
8 DENOMINATIONS OF, THE BONDS; AND

9 (IV) THE MEDIUM OF PAYMENT OF THE BONDS AND THE PLACE
10 WHERE THE BONDS WILL BE PAID.

11 (b) ANY RESOLUTION AUTHORIZING THE ISSUANCE OF BONDS UNDER
12 THE TERMS OF THIS SECTION MAY:

13 (I) STATE THAT THE BONDS ARE TO BE ISSUED IN ONE OR MORE
14 SERIES;

15 (II) STATE A RANK OR PRIORITY OF THE BONDS; AND

16 (III) PROVIDE FOR REDEMPTION OF THE BONDS PRIOR TO MATURITY,
17 WITH OR WITHOUT PREMIUM.

18 (4) ANY BONDS ISSUED PURSUANT TO THE TERMS OF THIS SECTION
19 MAY BE SOLD AT PUBLIC OR PRIVATE SALE. IF BONDS ARE TO BE SOLD AT
20 A PUBLIC SALE, THE AUTHORITY SHALL ADVERTISE THE SALE IN SUCH
21 MANNER AS THE AUTHORITY DEEMS APPROPRIATE. ALL BONDS ISSUED
22 PURSUANT TO THE TERMS OF THIS SECTION SHALL BE SOLD AT A PRICE NOT
23 LESS THAN THE PAR VALUE THEREOF, TOGETHER WITH ALL ACCRUED
24 INTEREST TO THE DATE OF DELIVERY.

25 (5) NOTWITHSTANDING ANY PROVISIONS OF LAW TO THE
26 CONTRARY, ALL BONDS ISSUED PURSUANT TO THIS SECTION ARE
27 NEGOTIABLE.

1 (6) (a) A RESOLUTION PERTAINING TO ISSUANCE OF BONDS UNDER
2 THIS SECTION MAY CONTAIN COVENANTS AS TO:

3 (I) THE PURPOSE TO WHICH THE PROCEEDS OF SALE OF THE BONDS
4 MAY BE APPLIED AND TO THE USE AND DISPOSITION THEREOF;

5 (II) SUCH MATTERS AS ARE CUSTOMARY IN THE ISSUANCE OF
6 REVENUE BONDS INCLUDING, WITHOUT LIMITATION, THE ISSUANCE AND
7 LIEN POSITION OF OTHER OR ADDITIONAL BONDS; AND

8 (III) BOOKS OF ACCOUNT AND THE INSPECTION AND AUDIT
9 THEREOF.

10 (b) ANY RESOLUTION MADE PURSUANT TO THE TERMS OF THIS
11 SECTION SHALL BE DEEMED A CONTRACT WITH THE HOLDERS OF THE
12 BONDS, AND THE DUTIES OF THE AUTHORITY UNDER SUCH RESOLUTION
13 SHALL BE ENFORCEABLE BY ANY APPROPRIATE ACTION IN A COURT OF
14 COMPETENT JURISDICTION.

15 (7) BONDS ISSUED UNDER THIS SECTION AND BEARING THE
16 SIGNATURES OF THE AUTHORITY IN OFFICE ON THE DATE OF THE SIGNING
17 SHALL BE DEEMED VALID AND BINDING OBLIGATIONS REGARDLESS OF
18 WHETHER, PRIOR TO DELIVERY AND PAYMENT, ANY OR ALL OF THE PERSONS
19 WHOSE SIGNATURES APPEAR THEREON HAVE CEASED TO BE MEMBERS OF
20 THE AUTHORITY.

21 (8) (a) EXCEPT AS OTHERWISE PROVIDED IN THE RESOLUTION
22 AUTHORIZING THE BONDS, ALL BONDS OF THE SAME ISSUE UNDER THIS
23 SECTION SHALL HAVE A PRIOR AND PARAMOUNT LIEN ON THE NET
24 REVENUES PLEDGED THEREFOR. THE AUTHORITY MAY PROVIDE FOR
25 PREFERENTIAL SECURITY FOR ANY BONDS, BOTH PRINCIPAL AND INTEREST,
26 TO BE ISSUED UNDER THIS SECTION TO THE EXTENT DEEMED FEASIBLE AND
27 DESIRABLE BY SUCH AUTHORITY OVER ANY BONDS THAT MAY BE ISSUED

1 THEREAFTER.

2 (b) BONDS OF THE SAME ISSUE OR SERIES ISSUED UNDER THIS
3 SECTION SHALL BE EQUALLY AND RATABLY SECURED, WITHOUT PRIORITY
4 BY REASON OF NUMBER, DATE, SALE, EXECUTION, OR DELIVERY, BY ALIEN
5 ON THE NET REVENUE PLEDGED IN ACCORDANCE WITH THE TERMS OF THE
6 RESOLUTION AUTHORIZING THE BONDS.

7 (9) THE CLEAN SCREEN AUTHORITY SHALL BE A
8 GOVERNMENT-OWNED BUSINESS THAT PROVIDES FINANCIAL SERVICES TO
9 THE CONTRACTOR, THE DEPARTMENT, AND THE DEPARTMENT OF PUBLIC
10 HEALTH AND ENVIRONMENT WITH REGARD TO THE REVENUES SUBJECT TO
11 SECTION 42-3-134 (26) (a) (III).

12 (10) THE CLEAN SCREEN AUTHORITY MAY ACCEPT GRANTS FROM
13 ANY SOURCE, AND SHALL DEPOSIT SUCH MONEYS IN THE CLEAN SCREEN
14 FUND CREATED IN SECTION 42-3-134 (26) (a) (III) (A).

15 (11) THE CLEAN SCREEN AUTHORITY MAY CONTRACT WITH THE
16 DEPARTMENT AND EXPEND MONEYS FROM THE CLEAN SCREEN FUND FOR
17 COMPUTER PROGRAMMING COSTS ASSOCIATED WITH IMPLEMENTATION OF
18 HOUSE BILL 01-1091, ENACTED AT THE FIRST REGULAR SESSION OF THE
19 SIXTY-THIRD GENERAL ASSEMBLY. THE DEPARTMENT IS AUTHORIZED TO
20 CONTINUOUSLY EXPEND MONEYS PURSUANT TO SUCH CONTRACT,
21 EFFECTIVE THE FISCAL YEAR COMMENCING JULY 1, 2000.

22 **SECTION 6.** 42-4-310 (1) (a) (I), (5) (b), and (5) (c), Colorado
23 Revised Statutes, are amended to read:

24 **42-4-310. Periodic emissions control inspection required.**

25 (1) (a) (I) Effective October 1, 1989, no motor vehicle that is required to
26 be registered in the program area shall be sold, registered for the first
27 time, or reregistered unless such vehicle has PASSED A CLEAN SCREEN TEST

1 OR HAS a valid certification of emissions compliance, emissions waiver,
2 or emissions exemption, or, beginning January 1, 1995, if such vehicle has
3 an emissions exemption or certificate of emissions control and verification
4 of emissions test, certification as required by the appropriate county. The
5 provisions of this paragraph (a) shall not apply to motor vehicle
6 transactions at wholesale between motor vehicle dealers licensed pursuant
7 to article 6 of title 12, C.R.S. This subparagraph (I) does not apply to the
8 sale of a motor vehicle ~~which~~ THAT is inoperable or otherwise cannot be
9 tested in accordance with regulations promulgated by the department of
10 revenue if the seller of the motor vehicle provides a written notice to the
11 purchaser pursuant to the requirements of subsection (4) of this section.
12 If a motor vehicle is exempted from the requirement for obtaining a
13 certification of emissions control prior to sale because it is inoperable or
14 otherwise cannot be tested, the new owner of the motor vehicle is required
15 to obtain a certification of emissions control for such motor vehicle before
16 registering it in the program area.

17 (5) (b) If the contractor determines that ~~the~~ A motor vehicle
18 REQUIRED TO BE REGISTERED IN THE PROGRAM AREA has complied with the
19 inspection requirements pursuant to this subsection (5), THE CONTRACTOR
20 SHALL SEND a notice ~~shall be sent~~ to the ~~owner of the vehicle~~
21 DEPARTMENT OF REVENUE identifying the owner of the vehicle, the license
22 plate number, and any other pertinent registration information, stating that
23 the vehicle has successfully complied with the applicable emission
24 requirements. ~~Such notice shall also include a notification that the~~
25 ~~registered owner of the vehicle may return the notice to the contractor~~
26 ~~with the payment as set forth on the notice to pay for the clean screen~~
27 ~~program. Upon receipt of the payment from the motor vehicle owner, the~~

1 county clerk shall be notified that the motor vehicle has complied with the
2 inspection requirements pursuant to this subsection (5).

3 (c) The department shall, by contract with a private vendor or by
4 rule, establish a procedure for a vehicle owner to obtain the necessary
5 emissions-related documents for the registration and operation of a vehicle
6 ~~which~~ THAT has complied with the inspection requirements pursuant to
7 this subsection (5). ~~At a minimum such contract or rule shall specify that~~
8 ~~any valid verification of emissions test, commonly referred to as an~~
9 ~~"emissions sticker", has sufficient identifying data to ensure that such~~
10 ~~verification of emissions test is attached to the appropriate vehicle.~~

11 **SECTION 7.** 42-4-311 (3) (a) (III) and (6), Colorado Revised
12 Statutes, are amended to read:

13 **42-4-311. Operation of inspection and readjustment stations -**
14 **inspection-only facilities - fleet inspection stations - motor vehicle**
15 **dealer test facilities - enhanced inspection centers - repeal.**

16 (3) (a) (III) (A) Verification of emissions test forms shall be purchased
17 only by licensed inspection and readjustment stations, inspection-only
18 facilities, fleet inspection stations, or motor vehicle dealer test facilities
19 ~~or authorized enhanced inspection centers~~ from the department or persons
20 authorized by the department to make such sales, and, effective with the
21 sale of such forms, the department shall receive from the buyer the sum
22 of twenty-five cents per form. No refund or credit shall be allowed for
23 any unused verification of emissions test forms. THIS SUB-SUBPARAGRAPH
24 (A) IS REPEALED, EFFECTIVE JULY 1, 2001.

25 (B) COMMENCING JULY 1, 2001, EVERY INSPECTION AND
26 READJUSTMENT STATION, FLEET INSPECTION STATION, AND
27 INSPECTION-ONLY FACILITY SHALL MONTHLY TRANSMIT TO THE

1 DEPARTMENT THE SUM OF TWENTY-FIVE CENTS PER MOTOR VEHICLE
2 INSPECTION PERFORMED BY SUCH ENTITY PURSUANT TO THIS PART 3. NO
3 REFUND OR CREDIT SHALL BE ALLOWED FOR ANY UNUSED VERIFICATION OF
4 EMISSIONS TEST FORMS.

5 (C) THE CONTRACTOR SHALL MONTHLY TRANSMIT TO THE
6 DEPARTMENT THE SUM OF TWENTY-FIVE CENTS PER MOTOR VEHICLE
7 INSPECTION PERFORMED BY THE CONTRACTOR PURSUANT TO THIS PART 3.
8 NO REFUND OR CREDIT SHALL BE ALLOWED FOR ANY UNUSED VERIFICATION
9 OF EMISSIONS TEST FORMS.

10 (D) VERIFICATION OF EMISSIONS TEST FORMS SHALL BE PURCHASED
11 ONLY BY MOTOR VEHICLE DEALER TEST FACILITIES FROM THE DEPARTMENT
12 OR PERSONS AUTHORIZED BY THE DEPARTMENT TO MAKE SUCH SALES, AND,
13 EFFECTIVE WITH THE SALE OF SUCH FORMS, THE DEPARTMENT SHALL
14 RECEIVE FROM THE BUYER THE SUM OF TWENTY-FIVE CENTS PER FORM. NO
15 REFUND OR CREDIT SHALL BE ALLOWED FOR ANY UNUSED VERIFICATION OF
16 EMISSIONS TEST FORMS.

17 (6) The fee charged ~~by an enhanced inspection center~~ for
18 ENHANCED emissions inspections, INCLUDING A CLEAN SCREEN, performed
19 within the enhanced emissions program area ON 1982 AND LATER MOTOR
20 VEHICLES shall not be any greater than that determined by the ~~competitive~~
21 ~~bid process conducted by the division in consultation with the executive~~
22 ~~director in contractor selection~~ CONTRACT and in no case greater than
23 twenty-five dollars. THE FEE CHARGED FOR CLEAN SCREEN INSPECTIONS
24 PERFORMED ON VEHICLES REGISTERED IN THE BASIC AREA AND ON 1981
25 AND OLDER VEHICLES REGISTERED IN THE ENHANCED AREA SHALL NOT BE
26 ANY GREATER THAN THAT DETERMINED BY THE CONTRACT AND IN NO CASE
27 GREATER THAN FIFTEEN DOLLARS. Such fee shall not exceed the

1 maximum fee required to be posted by the enhanced inspection center
2 pursuant to section 42-4-305 for the inspection of any motor vehicle
3 required to be inspected under section 42-4-310.

4 **SECTION 8.** 42-4-316 (2) and (3), Colorado Revised Statutes, are
5 amended to read:

6 **42-4-316. AIR program - demonstration of compliance with**
7 **ambient air quality standards and transportation conformity.** (2) The
8 legislative audit committee shall cause to be conducted performance
9 audits of the program, INCLUDING THE CLEAN SCREEN PROGRAM. The first
10 of such audits shall be completed not later than January 1, 2000, and shall
11 be completed not later than January 1, 2004 AND JANUARY 1 of each third
12 year thereafter. ~~In conducting the audit, the legislative audit committee~~
13 ~~shall take into consideration, but shall not be limited to considering, the~~
14 ~~factors listed in paragraph (b) of subsection (3) of this section.~~ Upon
15 completion of the audit report, the legislative audit committee shall hold
16 a public hearing for the purposes of a review of the report. A copy of the
17 report shall be made available to each member of the general assembly.

18 (3) (a) ~~Prior to December 31, 2001, a committee of reference in~~
19 ~~each house of the general assembly shall hold a joint public hearing,~~
20 ~~receiving testimony from the public, the executive directors of the~~
21 ~~departments of revenue and public health and environment, the~~
22 ~~chairperson of the air quality control commission, and the air pollution~~
23 ~~control division of the department of public health and environment.~~

24 (b) In such ~~hearings~~ AUDITS, the determination as to whether an
25 ongoing public need for the program has been demonstrated shall take into
26 consideration the following factors, among others:

27 (I) The demonstrable effect on ambient air quality of the program;

- 1 (II) The cost to the public of the program;
- 2 (III) The cost-effectiveness of the program relative to other air
3 pollution control programs;
- 4 (IV) The need, if any, for further reduction of air pollution caused
5 by mobile sources to attain or maintain compliance with national ambient
6 air quality standards;
- 7 (V) The application of the program to assure compliance with
8 legally required warranties covering air pollution control equipment.

9 **SECTION 9.** 42-3-134 (26) (a) (I), Colorado Revised Statutes, is
10 amended, and the said 42-3-134 (26) (a) is further amended BY THE
11 ADDITION OF A NEW SUBPARAGRAPH, to read:

12 **42-3-134. Registration fees - passenger and passenger-mile**
13 **taxes - refund - clean screen fund - repeal.** (26) (a) (I) Effective July
14 1, 1986, in addition to any other fee imposed by this section, there shall
15 be collected, at the time of registration, a fee of fifty cents on every item
16 of class A, B, or C personal property required to be registered pursuant to
17 this article. Such fee shall be transmitted to the state treasurer, who shall
18 credit the same to a special account within the highway users tax fund, to
19 be known as the AIR account, and such moneys shall be used, subject to
20 appropriation by the general assembly, to cover the direct costs of the
21 motor vehicle emissions activities of the department of public health and
22 environment in the presently defined nonattainment area, and to pay for
23 the costs of the commission in performing its duties under sections
24 25-7-106.1, 25-7-106.3, and 25-7-106.5, C.R.S. In the program areas
25 within counties affected by this article, the county clerk and recorder shall
26 impose and retain an additional fee of up to ~~seventy~~ EIGHTY cents on
27 every such registration to cover reasonable costs of administration of the

1 emissions compliance aspect of vehicle registration. The department of
2 public health and environment is hereby authorized to accept and expend
3 grants, gifts, and moneys from any source for the purpose of
4 implementing its duties and functions under this section or sections
5 25-7-106.1, 25-7-106.3, and 25-7-106.5, C.R.S.

6 (III) (A) IN ADDITION TO ANY OTHER FEE IMPOSED BY THIS SECTION,
7 COUNTY CLERKS AND RECORDERS, ACTING AS AGENTS FOR THE CLEAN
8 SCREEN AUTHORITY, SHALL COLLECT, AT THE TIME OF REGISTRATION, AN
9 EMISSIONS INSPECTION FEE IN AN AMOUNT DETERMINED BY THE CONTRACT
10 ENTERED INTO PURSUANT TO SECTION 42-4-307 (10.5) ON EVERY 1982 AND
11 NEWER MOTOR VEHICLE THAT IS REQUIRED TO BE REGISTERED IN THE
12 ENHANCED EMISSIONS PROGRAM AREAS OR AN AMOUNT DETERMINED BY
13 THE CONTRACT ENTERED INTO PURSUANT TO SECTION 42-4-306 (3) ON
14 EVERY 1981 AND OLDER MOTOR VEHICLE THAT IS REQUIRED TO BE
15 REGISTERED IN THE ENHANCED EMISSIONS PROGRAM AREA AND ON EVERY
16 MOTOR VEHICLE THAT IS REQUIRED TO BE REGISTERED IN THE BASIC
17 PROGRAM AREA, IF SUCH CLERKS HAVE RECEIVED A NOTICE FROM THE
18 DEPARTMENT OF REVENUE STATING THAT SUCH VEHICLE HAS PASSED A
19 CLEAN SCREEN TEST; EXCEPT THAT THE MOTORIST SHALL NOT BE REQUIRED
20 TO PAY SUCH EMISSIONS INSPECTION FEE IF A VALID CERTIFICATION OF
21 EMISSIONS COMPLIANCE HAS ALREADY BEEN ISSUED FOR THE VEHICLE
22 BEING REGISTERED INDICATING THAT THE VEHICLE PASSED THE APPLICABLE
23 EMISSIONS TEST AT AN ENHANCED INSPECTION CENTER, INSPECTION AND
24 READJUSTMENT STATION, MOTOR VEHICLE DEALER TEST FACILITY, FLEET
25 INSPECTION STATION, OR INSPECTION-ONLY STATION, AND THE MOTORIST
26 AFFIXES PROOF OF SUCH CERTIFICATION TO THE VEHICLE REGISTRATION
27 FORM. COUNTY CLERKS AND RECORDERS SHALL TRANSMIT SUCH FEE TO

1 THE CLEAN SCREEN AUTHORITY CREATED IN SECTION 42-4-307.5. THE
2 CLEAN SCREEN AUTHORITY SHALL TRANSMIT SUCH FEE TO THE STATE
3 TREASURER, WHO SHALL DEPOSIT THE SAME IN THE CLEAN SCREEN FUND,
4 WHICH FUND IS HEREBY CREATED. THE CLEAN SCREEN FUND SHALL BE A
5 PASS-THROUGH TRUST ACCOUNT TO BE HELD IN TRUST SOLELY FOR THE
6 PURPOSES AND THE BENEFICIARIES SPECIFIED IN THIS SUB-SUBPARAGRAPH
7 (A). MONEYS TRANSMITTED PURSUANT TO THIS SUB-SUBPARAGRAPH (A)
8 SHALL NOT CONSTITUTE FISCAL YEAR SPENDING OF THE STATE FOR
9 PURPOSES OF SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION, AND
10 SUCH MONEYS SHALL BE DEEMED CUSTODIAL FUNDS THAT ARE NOT
11 SUBJECT TO APPROPRIATION BY THE GENERAL ASSEMBLY. COMMENCING
12 MAY 1, 2001, THE CLEAN SCREEN AUTHORITY SHALL TRANSMIT MONEYS
13 FROM THE CLEAN SCREEN FUND MONTHLY TO THE CONTRACTOR OF THE
14 CONTRACT AUTHORIZED IN SECTION 42-4-307 (10) AND (10.5) IN
15 ACCORDANCE WITH THE FEE TO BE CHARGED PER CLEAN SCREEN
16 INSPECTION ESTABLISHED IN SECTION 42-4-311 WITHIN ONE WEEK AFTER
17 RECEIPT BY THE DEPARTMENT OF REVENUE OF A NOTIFICATION FROM THE
18 CONTRACTOR OF THE NUMBER OF MOTOR VEHICLES REGISTERED IN THE
19 PROGRAM AREA BASED ON CLEAN SCREEN INSPECTIONS COMPLETED BY THE
20 CONTRACTOR IN THE PREVIOUS MONTH. THE CLEAN SCREEN AUTHORITY
21 MAY ALSO EXPEND INTEREST EARNED ON THE DEPOSIT OF THE CLEAN
22 SCREEN FUND TO PAY FOR ITS COSTS ASSOCIATED WITH THE
23 IMPLEMENTATION OF HOUSE BILL 01-1091, ENACTED AT THE FIRST
24 REGULAR SESSION OF THE SIXTY-THIRD GENERAL ASSEMBLY.

25 (B) THIS SUBPARAGRAPH (III) IS REPEALED, EFFECTIVE DECEMBER
26 31, 2005. ANY MONEYS REMAINING IN THE CLEAN SCREEN FUND ON
27 DECEMBER 31, 2005, SHALL REVERT TO THE AIR ACCOUNT CREATED IN

1 SECTION 42-3-134 (26) (a) (I).

2 SECTION 10. 43-4-203 (1) (b), Colorado Revised Statutes, is
3 amended to read:

4 43-4-203. Sources of revenue. (1) All net revenue from the
5 following sources shall be paid into and credited to the highway users tax
6 fund as soon as received:

7 (b) From the imposition of annual registration fees on drivers,
8 motor vehicles, trailers, and semitrailers, EXCEPT AS PROVIDED IN SECTION
9 42-3-134 (26) (a) (III), C.R.S.;

10 SECTION 11. 42-4-313 (1) (a), (1) (b), (2), (3) (a), (3) (b), (4)
11 (a), and (4) (c), Colorado Revised Statutes, are amended to read:

12 42-4-313. Penalties. (1) (a) No person shall make, issue, or
13 knowingly use any imitation or deceptively similar or counterfeit
14 certification of emissions control form. ~~or verification of emissions test~~
15 ~~forms.~~

16 (b) No person shall possess a certification of emissions control ~~or~~
17 ~~verification of emissions test~~ if such person knows the same is fictitious,
18 or was issued for another motor vehicle, or was issued without an
19 emissions inspection having been made when required.

20 (2) (a) No emissions inspector or emissions mechanic shall issue
21 a certification of emissions control ~~or a verification of emissions test~~ for
22 a motor vehicle which does not qualify for the certification or verification
23 issued.

24 (b) Any emissions inspector or emissions mechanic who issues a
25 certification of emissions control ~~or verification of emissions test~~ in
26 violation of paragraph (a) of this subsection (2) is guilty of a misdemeanor
27 and, upon conviction thereof, shall be punished by a fine of not less than

1 one hundred dollars nor more than one thousand dollars, or by
2 imprisonment in the county jail for not more than ninety days, or by both
3 such fine and imprisonment.

4 (3) (a) No person shall operate a motor vehicle registered or
5 required to be registered in this state, ~~or any vehicle otherwise required to~~
6 ~~display a valid verification of emissions test~~, nor shall any person allow
7 such a motor vehicle to be parked on public property or on private
8 property available for public use, without such vehicle ~~displaying a valid~~
9 ~~verification of~~ HAVING PASSED ANY NECESSARY emissions test. The owner
10 of any motor vehicle ~~which~~ THAT is in violation of this paragraph (a)
11 ~~because it is parked without displaying a valid verification of emissions~~
12 ~~test~~ shall be responsible for payment of any penalty imposed under this
13 section unless such owner proves that the motor vehicle was in the
14 possession of another person without the owner's permission at the time
15 of the violation.

16 (b) ~~Police officers, at any time upon reasonable cause, may~~
17 ~~require the driver of a vehicle to stop and submit such vehicle to an~~
18 ~~inspection in order to determine whether such vehicle has a valid~~
19 ~~verification of emissions test if required by the provisions of sections~~
20 ~~42-4-301 to 42-4-316. In the event that such vehicle does not display a~~
21 ~~valid verification of emissions test, the officer shall issue a summons to~~
22 ~~the driver.~~

23 (4) (a) For the ~~enhanced~~ emissions program, a contractor who is
24 awarded a contract to perform emissions inspections within the ~~enhanced~~
25 emissions program area shall be held accountable to the department of
26 public health and environment and the department of revenue. Any such
27 contractor shall be subject to civil penalties in accordance with this

1 section or article 7 of title 25, C.R.S., as appropriate, for any violation of
2 applicable laws or rules and regulations of the department of revenue or
3 the commission.

4 (c) Pursuant to the provisions of article 4 of title 24, C.R.S., the
5 executive director shall impose administrative fines in amounts set by the
6 executive director of not less than twenty-five dollars and not more than
7 one thousand dollars against any operator or employee operating an
8 inspection and readjustment station, an inspection-only facility, or a motor
9 vehicle dealer test facility, or any contractor operating an enhanced
10 inspection center ~~which~~ OR CLEAN SCREEN CONTRACTOR THAT engages in
11 TWO OR MORE INCIDENTS OF any of the following:

- 12 (I) Test data entry violations;
- 13 (II) Test sequence violations;
- 14 (III) Emission retest procedural violations;
- 15 (IV) Vehicle emissions tag replacement test procedural violations;
- 16 (V) Performing any emissions test on noncertified equipment;
- 17 (VI) Wait-time and lane availability violations; ~~or~~
- 18 (VII) Physical emissions test examination violations;
- 19 (VIII) KNOWINGLY PASSING FAILING VEHICLES; OR
- 20 (IX) KNOWINGLY FAILING PASSING VEHICLES.

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