



## Legislative Council Staff

*Nonpartisan Services for Colorado's Legislature*

# Fiscal Note

**Drafting Number:** LLS 23-0261  
**Prime Sponsors:** Sen. Kolker

**Date:** January 11, 2023  
**Bill Status:** Senate Business  
**Fiscal Analyst:** Josh Abram | 303-866-3561  
josh.abram@coleg.gov

**Bill Topic:** **OUT-OF-STATE ONLINE RETAIL VEHICLE PURCHASES**

**Summary of Fiscal Impact:**

- |   |  |
|---|--|
| <input type="checkbox"/> State Revenue                | <input type="checkbox"/> TABOR Refund            |
| <input checked="" type="checkbox"/> State Expenditure | <input type="checkbox"/> Local Government        |
| <input type="checkbox"/> State Transfer               | <input type="checkbox"/> Statutory Public Entity |

The bill makes out-of-state online dealers of motor vehicles subject to the jurisdiction of the Motor Vehicle Licensing Board. The bill minimally increases state workload on an ongoing basis.

**Appropriation Summary:** No appropriation is required.

**Fiscal Note Status:** The fiscal note reflects the introduced bill.

## Summary of Legislation

The bill subjects out-of-state online dealers of motor vehicles to the jurisdiction of the Motor Vehicle Licensing Board (MVLB) in the Department of Revenue when conducting transactions in Colorado. Out-of-state dealers do not need to maintain a physical presence in the state, but if their activities would be licensed in the state, then they are subject to investigations, cease and desist orders, and administrative hearings by the board.

## State Expenditures

This bill increases workload for the Department of Revenue by a minimal amount. The bill increases the number of dealers who are subject to the jurisdiction of the MVDB, resulting in an increase in the number of consumer complaints and investigations handled by the board. Because the new population of dealers is small, the workload increase can be accomplished within existing appropriations.

## **Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

## **State and Local Government Contacts**

Revenue