

**First Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO**

ENGROSSED

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

LLS NO. 23-0261.01 Josh Schultz x5486

SENATE BILL 23-019

SENATE SPONSORSHIP

Kolker,

HOUSE SPONSORSHIP

(None),

Senate Committees

Business, Labor, & Technology

House Committees

A BILL FOR AN ACT

101 **CONCERNING CONSUMER PROTECTION FOR COLORADANS PURCHASING**
102 **VEHICLES FROM OUT-OF-STATE ONLINE RETAILERS.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

The bill requires out-of-state online dealers and salespersons selling motor vehicles or powersports vehicles to submit to the jurisdiction of the motor vehicle dealer board (board) when selling to a Colorado consumer. The bill does not require these online dealers and salespersons to obtain a Colorado dealer license or have a physical location in Colorado if they are licensed in another state but requires them

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

SENATE
2nd Reading Unamended
January 31, 2023

to comply with Colorado laws and the board's rules.

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

2 **SECTION 1.** In Colorado Revised Statutes, 44-20-104, **amend**
3 (3)(g); and **add** (5) as follows:

4 **44-20-104. Board - oath - meetings - powers and duties - rules.**

5 (3) The board is authorized and empowered:

6 (g) To summarily issue cease-and-desist orders, FOLLOWED BY
7 NOTICE AND A HEARING IN ACCORDANCE WITH SECTION 44-20-122, on
8 such terms and conditions and for such period of time as to the board
9 appears fair and just to: ~~any person who is licensed by the board pursuant~~
10 ~~to this part 1 if the orders are followed by notice and a hearing pursuant~~
11 ~~to section 44-20-122;~~

12 (I) A PERSON WHO IS LICENSED BY THE BOARD PURSUANT TO THIS
13 PART 1; OR

14 (II) A PERSON ENGAGING IN ACTIVITY THAT REQUIRES A LICENSE
15 UNDER THIS PART 1 WHEN PERFORMED IN COLORADO, BUT THE PERSON
16 DOES NOT OPERATE AT A PHYSICAL LOCATION IN COLORADO OR EMPLOY
17 RESIDENTS OF COLORADO.

18 (5) (a) THE BOARD HAS JURISDICTION OVER ACTIVITY THAT:

19 (I) REQUIRES A LICENSE UNDER THIS PART 1 WHEN PERFORMED IN
20 COLORADO; AND

21 (II) INVOLVES A RESIDENT OF COLORADO.

22 (b) WHEN PERFORMING AN ACTIVITY DESCRIBED IN SUBSECTION
23 (5)(a) OF THIS SECTION, A PERSON IS SUBJECT TO THIS PART 1 AND THE
24 RULES PROMULGATED BY THE BOARD UNDER THIS PART 1; EXCEPT THAT
25 THE PERSON NEED NOT OBTAIN A LICENSE UNDER THIS PART 1 IF THE

1 PERSON ENGAGES IN ACTIVITY THAT REQUIRES A LICENSE UNDER THIS
2 PART 1 WHEN PERFORMED IN COLORADO BUT THE PERSON DOES NOT
3 OPERATE AT A PHYSICAL LOCATION IN COLORADO OR EMPLOY RESIDENTS
4 OF COLORADO.

5 **SECTION 2.** In Colorado Revised Statutes, 44-20-404, **amend**
6 (1)(g); and **add** (6) as follows:

7 **44-20-404. Board - powers and duties - rules.** (1) In addition
8 to the duties and powers of the board under section 44-20-104, the board
9 may:

10 (g) Summarily issue ~~to any person who is licensed by the board~~
11 ~~pursuant to this part 4~~ cease-and-desist orders, FOLLOWED BY NOTICE AND
12 A HEARING IN ACCORDANCE WITH SECTION 44-20-421, on such terms and
13 conditions and for such time as the board deems fair and just ~~if the orders~~
14 ~~are followed by notice and a hearing pursuant to this section;~~ TO:

15 (I) A PERSON WHO IS LICENSED BY THE BOARD PURSUANT TO THIS
16 PART 4; OR

17 (II) A PERSON ENGAGING IN ACTIVITY THAT REQUIRES A LICENSE
18 UNDER THIS PART 4 WHEN PERFORMED IN COLORADO, BUT THE PERSON
19 DOES NOT OPERATE AT A PHYSICAL LOCATION IN COLORADO OR EMPLOY
20 RESIDENTS OF COLORADO.

21 (6) (a) THE BOARD HAS JURISDICTION OVER ACTIVITY THAT:

22 (I) REQUIRES A LICENSE UNDER THIS PART 4 WHEN PERFORMED IN
23 COLORADO; AND

24 (II) INVOLVES A RESIDENT OF COLORADO.

25 (b) WHEN PERFORMING AN ACTIVITY DESCRIBED IN SUBSECTION
26 (6)(a) OF THIS SECTION, A PERSON IS SUBJECT TO THIS PART 4 AND THE
27 RULES PROMULGATED BY THE BOARD UNDER THIS PART 4; EXCEPT THAT

1 THE PERSON NEED NOT OBTAIN A LICENSE UNDER THIS PART 4 IF THE
2 PERSON ENGAGES IN ACTIVITY THAT REQUIRES A LICENSE UNDER THIS
3 PART 4 WHEN PERFORMED IN COLORADO BUT THE PERSON DOES NOT
4 OPERATE AT A PHYSICAL LOCATION IN COLORADO OR EMPLOY RESIDENTS
5 OF COLORADO.

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