

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

REENGROSSED

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

LLS NO. 13-0604.01 Jery Payne x2157

SENATE BILL 13-170

SENATE SPONSORSHIP

Aguilar,

HOUSE SPONSORSHIP

Gerou,

Senate Committees

Judiciary
Finance
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE SALE OF UNIQUELY VALUABLE REGISTRATION**
102 **NUMBERS FOR VEHICLES, AND, IN CONNECTION THEREWITH,**
103 **MAKING AN APPROPRIATION.**

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://www.leg.state.co.us/billsummaries>.)

Currently, the state has a program to sell valuable license plate numbers administered by the license plate auction group. The money goes to both the general fund and certain disability-benefit programs. The bill adds 3 representatives of the public and a representative of a

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
3rd Reading Unamended
April 12, 2013

SENATE
Amended 2nd Reading
April 10, 2013

disability-benefit entity to the group. The group is given the following authority to:

- ! Authorize an auctioneer to retain a commission of up to 20%;
- ! Make business decisions;
- ! Create incentives for holders to turn in currently issued registration numbers for auction if any actual costs are reimbursed to the state from the sale;
- ! Sell license plates made of alternative materials if approved by the department of revenue; and
- ! Certify that a portion of the purchase price of a registration number is a charitable donation because it exceeds the value of the registration number if the tax credit is reimbursed to the general fund from the sale.

An income tax credit is created for the portion of the sale that exceeds the value of the registration number.

The sale of symbols in addition to letters and numbers is authorized. The program's spending authority is increased by \$85,000.

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

2 **SECTION 1.** In Colorado Revised Statutes, 42-1-403, **amend** (2)
3 introductory portion, (2) (f), and (5) (g); and **add** (2) (h), (2) (i), (5) (i),
4 (5) (j), (5) (k), (5) (l), and (5) (m) as follows:

5 **42-1-403. License plate auction group.** (2) The group consists
6 of ~~seven~~ ELEVEN members, appointed as follows:

7 (f) One member appointed by the chief of the Colorado state
8 patrol; and

9 (h) THREE MEMBERS APPOINTED BY THE GOVERNOR TO REPRESENT
10 THE PUBLIC; AND

11 (i) ONE MEMBER APPOINTED BY THE GOVERNOR TO REPRESENT AN
12 ENTITY DELIVERING SERVICES UNDER SECTION 24-30-2205, C.R.S.

13 (5) The group has the following duties and powers:

14 (g) To elect a member as executive director of the group and other
15 officers; and

1 (i) TO AUTHORIZE AN AUCTIONEER OR OTHER SELLER OF A
2 REGISTRATION NUMBER TO RETAIN A COMMISSION OF NO MORE THAN
3 TWENTY PERCENT OF THE SALE PRICE;

4 (j) TO MAKE BUSINESS DECISIONS TO IMPLEMENT THIS PART 4;

5 (k) TO CREATE INCENTIVES FOR HOLDERS TO TURN IN CURRENTLY
6 ISSUED REGISTRATION NUMBERS FOR AUCTION IF ANY ACTUAL COSTS ARE
7 REIMBURSED TO THE STATE FROM THE SALE;

8 (l) TO AUTHORIZE AND SELL LICENSE PLATES MADE OF
9 ALTERNATIVE MATERIALS IF APPROVED BY THE DEPARTMENT; AND

10 (m) TO CERTIFY THAT A PORTION OF THE PURCHASE PRICE OF A
11 REGISTRATION NUMBER IS A CHARITABLE DONATION BECAUSE IT EXCEEDS
12 THE MARKET VALUE OF THE REGISTRATION NUMBER IF THE GROUP
13 REIMBURSES THE GENERAL FUND FOR ANY TAX CREDIT AUTHORIZED
14 UNDER SECTION 39-22-535, C.R.S., FROM THE SALE.

15 **SECTION 2.** In Colorado Revised Statutes, 42-1-406, **amend** (2)
16 as follows:

17 **42-1-406. Administration.** (2) If the registration number consists
18 of a combination of letters and numbers that is not within the normal
19 format of license plate currently produced for the department, the
20 department shall issue the plates as personalized plates under section
21 42-3-211; except that, notwithstanding section 42-3-211, the auction
22 group may sell, and the buyer or any subsequent buyer may use:

23 (a) A registration number or letter of one position; OR

24 (b) ANY SYMBOL ON THE STANDARD AMERICAN KEYBOARD OR
25 APPROVED BY THE GROUP.

26 **SECTION 3.** In Colorado Revised Statutes, 42-1-407, **amend** (3)

27 (b) as follows:

1 **42-1-407. Registration number fund.** (3) (b) (I) The treasurer
2 shall adjust the transfers required by paragraph (a) of this subsection (3)
3 on July 1 of each year in proportion to the aggregate change in the United
4 States department of labor bureau of labor statistics consumer price index
5 for all urban consumers for the Denver-Boulder-Greeley consolidated
6 metropolitan statistical area. The treasurer may round the dollar amount
7 of the adjustment to the nearest ten dollars.

8 (II) THE TAX CREDIT REIMBURSEMENT ACCOUNT IS HEREBY
9 CREATED IN THE FUND. UPON CERTIFYING A CREDIT UNDER SECTION
10 42-1-403 (5) (m) AND RECEIVING THE MONEY FROM THE SALE OF THE
11 REGISTRATION NUMBER, THE GROUP SHALL PLACE TWENTY PERCENT OF
12 AMOUNT CERTIFIED IN THIS ACCOUNT. THE MONEY IN THE ACCOUNT IS NOT
13 TRANSFERRED IN ACCORDANCE WITH PARAGRAPH (a) OF THIS SECTION,
14 BUT THE TREASURER SHALL TRANSFER THE MONEY TO THE GENERAL FUND
15 AT THE END OF THE FISCAL YEAR.

16 **SECTION 4.** In Colorado Revised Statutes, **add** 39-22-535 as
17 follows:

18 **39-22-535. Credit for purchase of uniquely valuable motor**
19 **vehicle registration numbers.** (1) FOR TAX YEARS COMMENCING ON OR
20 AFTER JANUARY 1, 2013, A PERSON WHO BUYS A REGISTRATION NUMBER
21 UNDER SECTION 42-1-402, C.R.S., IS ALLOWED A CREDIT AGAINST THE
22 INCOME TAXES IMPOSED BY THIS ARTICLE FOR TWENTY PERCENT OF THE
23 PORTION OF THE PURCHASE PRICE THAT THE LICENSE PLATE AUCTION
24 GROUP, CREATED IN SECTION 42-1-403, C.R.S., CERTIFIES EXCEEDS THE
25 REGISTRATION NUMBER'S FAIR MARKET VALUE. THIS IS THE VALUE THE
26 LICENSE PLATE AUCTION GROUP EXPECTS FROM THE SALE OF THE
27 REGISTRATION NUMBER NOT THE COST OF REGISTERING THE VEHICLE.

1 (2) IF THE CREDIT ALLOWED BY THIS SECTION EXCEEDS THE TAX
2 OTHERWISE DUE, THE TAXPAYER MAY CARRY IT FORWARD FOR UP TO FIVE
3 YEARS BUT SHALL CLAIM IT ON THE EARLIEST POSSIBLE SUBSEQUENT TAX
4 RETURN.

5 **SECTION 5. Appropriation.** (1) In addition to any other
6 appropriation, there is hereby appropriated, out of any moneys in the
7 registration number fund created in section 42-1-407, Colorado Revised
8 Statutes, not otherwise appropriated, to the governor - lieutenant governor
9 - state planning and budgeting, for the fiscal year beginning July 1, 2013,
10 the sum of \$300,000, or so much thereof as may be necessary, for
11 allocation to the license plate auction group to implement this act.

12 (2) In addition to any other appropriation, there is hereby
13 appropriated, out of any moneys in the disability-benefit support fund
14 created in section 24-30-2205, Colorado Revised Statutes, not otherwise
15 appropriated, to the department of personnel, for the fiscal year beginning
16 July 1, 2013, the sum of \$15,648 and 0.3 FTE, or so much thereof as may
17 be necessary, for allocation to executive director's office, department
18 administration, for personal services related to the implementation of the
19 laura hershey disability-benefit support act (H.B. 11-1216).

20 (3) In addition to any other appropriation, there is hereby
21 appropriated, out of any moneys in the general fund not otherwise
22 appropriated, to the department of revenue, for the fiscal year beginning
23 July 1, 2013, the sum of \$16,000, or so much thereof as may be necessary,
24 for allocation to the taxation business group for contract computer
25 programming services related to the implementation of this act.

26 **SECTION 6. Safety clause.** The general assembly hereby finds,

- 1 determines, and declares that this act is necessary for the immediate
- 2 preservation of the public peace, health, and safety.