

CHAPTER 392

MOTOR VEHICLES AND TRAFFIC REGULATION

HOUSE BILL 25-1121

BY REPRESENTATIVE(S) Suckla and Lukens, Richardson, Bacon, Barron, Bird, Boesenecker, Bottoms, Caldwell, Clifford, DeGraaf, Duran, English, Garcia Sander, Johnson, Keltie, Lieder, Lindstedt, Marshall, Mauro, McCormick, Phillips, Ricks, Soper, Stewart K., Titone, Weinberg, Winter T., Woog, McCluskie;
also SENATOR(S) Pelton R. and Marchman, Carson, Frizell, Pelton B., Roberts, Simpson.

AN ACT

CONCERNING AN OPTION TO REGISTER A TRAILER UNTIL IT IS TRANSFERRED TO ANOTHER PERSON.

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

SECTION 1. In Colorado Revised Statutes, 42-3-102, **add** (5) as follows:

42-3-102. Periodic registration - rules. (5) (a) IN LIEU OF REGISTERING UNDER SUBSECTIONS (1) TO (3) OF THIS SECTION, AN APPLICANT MAY REGISTER A TRAILER UNDER THIS SUBSECTION (5) IF:

- (I) THE TRAILER QUALIFIES AS CLASS B OR CLASS D PERSONAL PROPERTY; AND
 - (II) THE OWNER COMPLIES WITH THIS SECTION AND SECTIONS 42-3-107 (29) AND 42-3-315.
- (b) A TRAILER REGISTRATION ISSUED UNDER THIS SUBSECTION (5) DOES NOT EXPIRE UNTIL THE TRAILER CHANGES OWNERSHIP IN ACCORDANCE WITH THIS ARTICLE 3. THE REGISTRATION EXPIRES UPON THE TRANSFER OF THE TRAILER.
- (c) THE DEPARTMENT SHALL ISSUE A LICENSE PLATE TO A TRAILER REGISTERED UNDER THIS SUBSECTION (5), BUT A VALIDATING STICKER OR TAB IS NOT ISSUED NOR REQUIRED FOR THE LICENSE PLATE.
- (d)(I) UPON THE TRANSFER OF OWNERSHIP OF A TRAILER REGISTERED UNDER THIS SECTION, THE OWNER SHALL NOTIFY THE DEPARTMENT OF THE TRANSFER.
- (II) UPON REGISTERING A TRAILER UNDER THIS SECTION, THE DEPARTMENT SHALL

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

NOTIFY THE OWNER OF THE REQUIREMENT OF THIS SUBSECTION (5)(d) TO NOTIFY THE DEPARTMENT OF ANY TRANSFER OF THE TRAILER REGISTERED UNDER THIS SUBSECTION (5). THE DEPARTMENT SHALL ALSO NOTIFY THE PUBLIC OF THE REQUIREMENTS OF THIS SUBSECTION (5) ON ITS WEB PAGE.

SECTION 2. In Colorado Revised Statutes, 42-3-107, **amend** (25)(b); and **add** (29) as follows:

42-3-107. Taxable value of classes of property - rate of tax - when and where payable - department duties - apportionment of tax collections - definitions - rules - repeal. (25) (b) The credit authorized in subsection (25)(a) of this section does not apply to fees imposed in sections 42-3-301; 42-3-304 (5), (6), (7), (19), and (22); 42-3-312; ~~and~~ 42-3-313; AND **42-3-315**.

(29) THE OWNER MUST PREPAY TWO YEARS OF ANNUAL SPECIFIC OWNERSHIP TAX TO REGISTER A TRAILER UNDER SECTION 42-3-102 (5).

SECTION 3. In Colorado Revised Statutes, **add** 42-3-315 as follows:

42-3-315. Fee for long-term or permanent registration - trailers. (1) IN LIEU OF ANY OTHER FEE IMPOSED FOR REGISTRATION OF A TRAILER, THE FEE FOR REGISTRATION ISSUED UNDER SECTION 42-3-102 (5) IS FIFTY-FIVE DOLLARS AND EIGHTY-TWO CENTS.

(2)(a) THE DEPARTMENT OR AUTHORIZED AGENT THAT REGISTERED THE TRAILER MAY RETAIN TWO DOLLARS OF THE REGISTRATION FEE.

(b) THE DEPARTMENT OR AUTHORIZED AGENT SHALL RETAIN ONE DOLLAR AND FIFTY CENTS OF THE FEE, WHICH THE DEPARTMENT SHALL TRANSFER TO THE COUNTY WHERE THE REGISTRATION OCCURRED, IF APPLICABLE, AND THE COUNTY SHALL ALLOCATE THE MONEY TO THE COUNTY ROAD AND BRIDGE FUND FOR THE COUNTY CREATED PURSUANT TO SECTION 43-2-202 (1)(a).

(c) THE STATE TREASURER SHALL CREDIT THE FOLLOWING AMOUNTS OF THE REMAINDER OF THE FEE TO THE FOLLOWING FUNDS:

(I) FIFTY CENTS TO THE COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2) WITHIN THE HIGHWAY USERS TAX FUND;

(II) TWO DOLLARS AND FIFTY CENTS TO THE LICENSE PLATE CASH FUND CREATED IN SECTION 42-3-301 (1)(b);

(III) FIVE DOLLARS TO THE STATEWIDE BRIDGE AND TUNNEL ENTERPRISE SPECIAL REVENUE FUND CREATED IN SECTION 43-4-805 (3)(a);

(IV) SIXTEEN DOLLARS TO THE HIGHWAY USERS TAX FUND CREATED IN SECTION 43-4-201 AND ALLOCATED AS SPECIFIED IN SECTION 43-4-205 (6)(b); AND

(V) THE REMAINDER OF THE FEE TO THE HIGHWAY USERS TAX FUND CREATED IN SECTION 43-4-201.

SECTION 4. In Colorado Revised Statutes, 42-1-211, **amend** (2) as follows:

42-1-211. Driver's license, record, identification, and vehicle enterprise solution. (2) There is hereby created the Colorado DRIVES vehicle services account in the highway users tax fund for the purpose of providing funds for the development and operation of Colorado DRIVES, including operations performed under articles 2, 3, 4, 6, 7, and 12 of this title 42, to cover the costs of administration and enforcement of the motorist insurance identification database program created in section 42-7-604, and to purchase and issue license plates, decals, and validating tabs in accordance with article 3 of this title 42. Money received from the fees imposed by sections 38-29-138 (1), (2), (4), and (5), 42-1-206 (2)(a), 42-1-210 (1)(a)(II), 42-1-231, 42-1-233 (3)(b), 42-2-107 (1)(a)(I), 42-2-114 (2)(b), (2)(c)(I), (2)(c)(II), (2)(e), and (4)(a), 42-2-114.5 (1), 42-2-117 (1), 42-2-118 (1)(b)(I)(C) and (1.5)(b), 42-2-133 (2), 42-2-306 (2), 42-2-406 (1), (2), (3)(d), and (6), 42-2-508 (1), 42-3-107 (22), 42-3-213 (1)(b)(IV), 42-3-304 (18)(d)(I)(B), 42-3-306 (14), 42-3-312, 42-3-313 (2)(c)(I), ~~42-3-315~~, 42-6-110 (1.7)(c), 42-6-137 (1), (2), (4), (5), and (6), and 42-6-138 (1)(a), (2), and (4) and any money received through gifts, grants, and donations to the account from private or public sources for the purposes of this section, shall be credited by the state treasurer to the Colorado DRIVES vehicle services account. The state treasurer shall credit all interest and income derived from the deposit and investment of money in the Colorado DRIVES vehicle services account to the account. The general assembly shall appropriate annually the money in the account for the purposes of this subsection (2). If any unexpended and unencumbered money remains in the account at the end of a fiscal year, the balance remains in the account and is not transferred to the general fund or any other fund.

SECTION 5. Act subject to petition - effective date - applicability. (1) This act takes effect July 1, 2027; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within the ninety-day period after final adjournment of the general assembly, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2026 and, in such case, will take effect July 1, 2027.

(2) This act applies to registrations made on or after January 1, 2028.

Approved: June 3, 2025