NOTE: This bill has been prepared for the signature of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.

An Act

SENATE BILL 08-151

BY SENATOR(S) Tochtrop, Kester, Morse, Schwartz, Tapia, Williams, and Gibbs; also REPRESENTATIVE(S) Marostica, Benefield, Hodge, White, Butcher, and McFadyen.

CONCERNING A REQUIREMENT THAT CERTAIN PERSONS WHO SELL VEHICLES COMPLETE A PRELICENSING EDUCATION PROGRAM.

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

SECTION 1. 12-6-115, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

12-6-115. Application - prelicensing education. (7) (a) A PERSON APPLYING FOR A USED MOTOR VEHICLE DEALER'S LICENSE, A WHOLESALE MOTOR VEHICLE AUCTION DEALER'S LICENSE, OR A WHOLESALER'S LICENSE SHALL FILE WITH THE BOARD A CERTIFICATION THAT THE APPLICANT HAS MET THE EDUCATIONAL REQUIREMENTS FOR LICENSURE UNDER THIS

SUBSECTION (7). THIS SUBSECTION (7) SHALL NOT APPLY TO A PERSON WHO HAS HELD A LICENSE, WITHIN THE LAST THREE YEARS, AS A MOTOR VEHICLE DEALER, USED MOTOR VEHICLE DEALER, WHOLESALER, WHOLESALE MOTOR VEHICLE AUCTION DEALER, POWERSPORTS VEHICLE DEALER, OR USED POWERSPORTS VEHICLE DEALER UNDER THIS PART 1 OR PART 5 OF THIS ARTICLE.

(b) AN APPLICANT FOR A USED MOTOR VEHICLE DEALER'S LICENSE, A WHOLESALE MOTOR VEHICLE AUCTION DEALER'S LICENSE, OR A WHOLESALER'S LICENSE SHALL NOT BE LICENSED UNLESS ONE OF THE FOLLOWING PERSONS HAS COMPLETED AN EIGHT-HOUR PRELICENSING EDUCATION PROGRAM:

(I) THE MANAGING OFFICER IF THE APPLICANT IS A CORPORATION OR LIMITED LIABILITY COMPANY;

(II) ALL OF THE GENERAL PARTNERS IF THE APPLICANT IS ANY FORM OF PARTNERSHIP; OR

(III) THE OWNER OR MANAGING OFFICER IF THE APPLICANT IS A SOLE PROPRIETORSHIP.

(c) THE PRELICENSING EDUCATION PROGRAM SHALL INCLUDE, WITHOUT LIMITATION, STATE AND FEDERAL STATUTES AND RULES GOVERNING THE SALE OF MOTOR VEHICLES.

(d) A PRELICENSING EDUCATION PROGRAM SHALL NOT FULFILL THE REQUIREMENTS OF THIS SECTION UNLESS APPROVED BY THE BOARD. THE BOARD SHALL APPROVE ANY PROGRAM WITH A CURRICULUM THAT REASONABLY COVERS THE MATERIAL REQUIRED BY THIS SECTION WITHIN EIGHT HOURS.

(e) THE BOARD MAY ADOPT RULES ESTABLISHING REASONABLE FEES TO BE CHARGED FOR THE PRELICENSING EDUCATION PROGRAM.

(f) THE BOARD MAY ADOPT REASONABLE RULES TO IMPLEMENT THIS SECTION, INCLUDING, WITHOUT LIMITATION, RULES THAT GOVERN:

(I) THE CONTENT AND SUBJECT MATTER OF EDUCATION;

(II) THE CRITERIA, STANDARDS, AND PROCEDURES FOR THE APPROVAL OF COURSES AND COURSE INSTRUCTORS;

(III) THE TRAINING FACILITY REQUIREMENTS; AND

(IV) THE METHODS OF INSTRUCTION.

(g) AN APPROVED PRELICENSING PROGRAM PROVIDER SHALL ISSUE A CERTIFICATE TO A PERSON WHO SUCCESSFULLY COMPLETES THE APPROVED PRELICENSING EDUCATION PROGRAM. THE CURRENT CERTIFICATE OF COMPLETION, OR A COPY OF THE CERTIFICATE, SHALL BE POSTED CONSPICUOUSLY AT THE DEALERSHIP'S PRINCIPAL PLACE OF BUSINESS.

(h) AN APPROVED PRELICENSING PROGRAM PROVIDER SHALL SUBMIT A CERTIFICATE TO THE EXECUTIVE DIRECTOR FOR EACH PERSON WHO SUCCESSFULLY COMPLETES THE

PRELICENSING EDUCATION PROGRAM. THE CERTIFICATE MAY BE TRANSMITTED ELECTRONICALLY.

SECTION 2. 12-6-517, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

12-6-517. Application. (7) (a) A PERSON APPLYING FOR A USED POWERSPORTS VEHICLE DEALER'S LICENSE SHALL FILE WITH THE BOARD A CERTIFICATION THAT THE APPLICANT HAS MET THE EDUCATIONAL REQUIREMENTS FOR LICENSURE UNDER THIS SUBSECTION (7), UNLESS THE APPLICANT IS LICENSED AS A MOTOR VEHICLE DEALER OR A USED MOTOR VEHICLE DEALER. THIS SUBSECTION (7) SHALL NOT APPLY TO A PERSON WHO HAS HELD A LICENSE, WITHIN THE LAST THREE YEARS, AS A MOTOR VEHICLE DEALER, USED MOTOR VEHICLE DEALER, WHOLESALER, WHOLESALE MOTOR VEHICLE AUCTION DEALER, POWERSPORTS VEHICLE DEALER, OR USED POWERSPORTS VEHICLE DEALER UNDER THIS PART 5 OR PART 1 OF THIS ARTICLE.

(b) AN APPLICANT FOR A USED POWERSPORTS VEHICLE DEALER'S LICENSE SHALL NOT BE LICENSED UNLESS ONE OF THE FOLLOWING PERSONS HAS COMPLETED AN EIGHT-HOUR PRELICENSING EDUCATION PROGRAM:

(I) THE MANAGING OFFICER IF THE APPLICANT IS A CORPORATION OR LIMITED LIABILITY COMPANY;

(II) ALL OF THE GENERAL PARTNERS IF THE APPLICANT IS ANY FORM OF

PARTNERSHIP; OR

(III) THE OWNER OR MANAGING OFFICER IF THE APPLICANT IS A SOLE PROPRIETORSHIP.

(c) THE PRELICENSING EDUCATION PROGRAM SHALL INCLUDE, WITHOUT LIMITATION, STATE AND FEDERAL STATUTES AND RULES GOVERNING THE SALE OF POWERSPORT VEHICLES.

(d) A PRELICENSING EDUCATION PROGRAM SHALL NOT FULFILL THE REQUIREMENTS OF THIS SECTION UNLESS APPROVED BY THE BOARD. THE BOARD SHALL APPROVE ANY PROGRAM WITH A CURRICULUM THAT REASONABLY COVERS THE MATERIAL REQUIRED BY THIS SECTION WITHIN EIGHT HOURS.

(e) THE BOARD MAY ADOPT RULES ESTABLISHING REASONABLE FEES TO BE CHARGED FOR THE PRELICENSING EDUCATION PROGRAM.

(f) THE BOARD MAY ADOPT REASONABLE RULES TO IMPLEMENT THIS SECTION, INCLUDING, WITHOUT LIMITATION, RULES THAT GOVERN:

(I) THE CONTENT AND SUBJECT MATTER OF EDUCATION;

(II) THE CRITERIA, STANDARDS, AND PROCEDURES FOR THE APPROVAL OF COURSES AND COURSE INSTRUCTORS;

(III) THE TRAINING FACILITY REQUIREMENTS; AND

(IV) THE METHODS OF INSTRUCTION.

(g) AN APPROVED PRELICENSING PROGRAM PROVIDER SHALL ISSUE A CERTIFICATE TO A PERSON WHO SUCCESSFULLY COMPLETES THE APPROVED PRELICENSING EDUCATION PROGRAM. THE CURRENT CERTIFICATE OF COMPLETION, OR A COPY OF THE CERTIFICATE, SHALL BE POSTED CONSPICUOUSLY AT THE DEALERSHIP'S PRINCIPAL PLACE OF BUSINESS.

(h) AN APPROVED PRELICENSING PROGRAM PROVIDER SHALL SUBMIT A CERTIFICATE TO THE EXECUTIVE DIRECTOR FOR EACH PERSON WHO SUCCESSFULLY COMPLETES THE PRELICENSING EDUCATION PROGRAM. THE CERTIFICATE MAY BE TRANSMITTED ELECTRONICALLY.

SECTION 3. Effective date - applicability. (1) This act shall take effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution, (August 6, 2008, if adjournment sine die is on May 7, 2008); except that, if a referendum petition is filed against this act or an item, section, or part of this act within such period, then the act, item, section, or part, if approved by the people, shall take effect on the date of the official declaration of the vote thereon by proclamation of the governor.

(2) The provisions of this act shall apply to applications for licensure submitted on or after thirty days after the effective date of this act.

Peter C. Groff Andrew Romanoff PRESIDENT OF SPEAKER OF THE HOUSE THE SENATE OF REPRESENTATIVES

Karen Goldman Marilyn Eddins SECRETARY OF CHIEF CLERK OF THE HOUSE THE SENATE OF REPRESENTATIVES

APPROVED_____

_____ Bill Ritter, Jr.
GOVERNOR OF THE STATE OF COLORADO