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HOUSE BILL 25-1117

BY REPRESENTATIVE(S) Joseph and Boesenecker, Bacon, Brown, Froelich, Lieder, Lindsay, Mabrey, Ricks, Story, Zokaie, English; also SENATOR(S) Gonzales J. and Weissman, Cutter, Exum, Hinrichsen, Jodeh, Kipp, Michaelson Jenet, Wallace, Winter F., Coleman.

CONCERNING THE REGULATION OF VEHICLE IMMOBILIZATION COMPANIES.

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

SECTION 1. Legislative declaration. (1) The general assembly finds that:

(a) Fair and just enforcement of parking regulations is an essential component of maintaining the order and integrity of public spaces and residential communities, fostering a sense of responsibility and respect among all community members;

(b) Vehicle immobilization practices, when improperly applied or enforced, can create undue burdens on consumers, particularly those who may face financial or personal challenges;

(c) Improper immobilization can undermine public trust in the

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.

system and, at times, may result in the disproportionate penalization of individuals for minor or unintentional infractions;

(d) Vehicle immobilization practices and related fees disproportionately affect low-income individuals and marginalized communities, exacerbating existing social and economic disparities, and in these instances, individuals often lack access to legal recourse, and the resulting financial strain may hinder their ability to secure basic necessities, such as housing, health care, or transportation;

(e) Clear and transparent communication regarding parking regulations, including proper signs and timely notices, is crucial to ensuring that consumers are fully informed of their rights and responsibilities and are given reasonable opportunities to rectify minor violations without the threat of excessive penalties or hardship;

(f) The state must ensure that vehicle immobilization practices are carried out in a manner that upholds the dignity of all individuals, protects consumers from unnecessary financial strain, and promotes fairness by providing avenues for dispute resolution and mitigation of penalties where appropriate;

(g) Vehicle immobilization companies and property owners must be held accountable to the highest ethical standards, with a commitment to transparency, honesty, and fairness in the provision of services. This includes clear, itemized billing, proper safeguards to prevent abuse, and accountability for any damages or mistakes that may arise from the immobilization process.

(h) A fair and just system for addressing vehicle immobilization disputes is integral to maintaining public confidence in the regulatory framework. Consumers must have access to effective mechanisms for challenging fees, seeking timely release of immobilized vehicles, and receiving a fair hearing for their cases.

(i) Vehicle immobilization should not be a mechanism for unjustly enriching private companies or imposing financial hardship on vulnerable individuals. Kickbacks, improper financial incentives, or the pursuit of unfair profits at the expense of consumers undermine the integrity of the system and erode public trust.

(j) This legislation is intended to create a fair, transparent, and equitable framework for vehicle immobilization that balances the need for effective enforcement with the protection of consumers' rights, ensuring that no person is unfairly penalized or unduly burdened by the system; and

(k) By establishing clear guidelines for vehicle immobilization, providing transparency, and offering opportunities for consumers to address minor infractions in a reasonable and timely manner, this legislation promotes the values of fairness and justice, strengthening the trust between the public and those entrusted with enforcement responsibilities.

(2) Therefore, the general assembly declares that:

(a) Ensuring the fair and just implementation of vehicle immobilization practices is a matter of paramount importance to the well-being of Colorado's communities, and enacts this legislation to promote equity, transparency, and accountability in the enforcement of parking regulations; and

(b) Fairness, accountability, and ethical conduct must guide every aspect of the enforcement process.

SECTION 2. In Colorado Revised Statutes, 40-10.1-101, **amend** (11), (14), and (22); and **add** (8.5) as follows:

40-10.1-101. Definitions. As used in this article 10.1, unless the context otherwise requires:

(8.5) "IMMOBILIZE", "IMMOBILIZATION", OR "IMMOBILIZING" MEANS THE APPLICATION WITHOUT THE CONSENT OF AN AUTHORIZED OR INTERESTED PERSON OF A DEVICE INTENDED TO PREVENT THE NORMAL OPERATION OF A MOTOR VEHICLE.

(11) "Motor vehicle" OR "VEHICLE" means any automobile, truck, tractor, motor bus, or other self-propelled vehicle or ~~any~~ A trailer DESIGNED TO BE drawn ~~thereby~~ BY A SELF-PROPELLED VEHICLE.

(14) "Permit" means the permit issued to a contract carrier under part 2 of this article 10.1, ~~or~~ to a motor carrier under part 3, 4, 5, or 7 of this article 10.1, OR TO A VEHICLE IMMOBILIZATION COMPANY UNDER PART 8 OF

THIS ARTICLE 10.1.

(22) (a) "Vehicle ~~booting~~ IMMOBILIZATION company" means a ~~private corporation, partnership, or sole proprietor in the business of immobilizing a motor vehicle through use of a boot~~ PERSON THAT IMMOBILIZES A MOTOR VEHICLE OF ANOTHER PERSON.

(b) "VEHICLE IMMOBILIZATION COMPANY" DOES NOT INCLUDE A MUNICIPALITY, A COUNTY, A CITY AND COUNTY, OR OTHER POLITICAL SUBDIVISION OF THE STATE.

SECTION 3. In Colorado Revised Statutes, **amend** part 8 of article 10.1 of title 40 as follows:

40-10.1-801. Permit requirements - fund. (1) (a) ~~Effective January 1, 2020;~~ A person shall not operate or offer to operate as a vehicle ~~booting~~ IMMOBILIZATION company in intrastate commerce without first having obtained a permit from the commission in accordance with this article 10.1.

(b) A person may apply for a permit under this part 8 to the commission in the form and with the information as the commission requires. Permits are valid for one year after the date of issuance.

(2) (a) (I) The commission may deny an application FOR OR SUSPEND, REVOKE, OR REFUSE TO RENEW A PERMIT ISSUED under this part 8 of a person who has, within the immediately preceding five years, been convicted of, ~~or~~ pled guilty TO, or PLED nolo contendere to a felony OR IMMOBILIZATION-RELATED OFFENSE. The commission may also deny an application ~~under this part 8~~ FOR OR SUSPEND, REVOKE, or refuse to renew ~~the~~ A permit of a vehicle ~~booting~~ IMMOBILIZATION company based upon a determination that the vehicle ~~booting~~ IMMOBILIZATION company or any of its owners, principals, officers, members, partners, or directors has not satisfied a civil penalty arising out of ~~any~~ AN administrative or enforcement action brought by the commission.

(II) A VEHICLE IMMOBILIZATION COMPANY THAT APPLIES FOR A PERMIT OR THAT APPLIES TO RENEW A PERMIT SHALL DISCLOSE TO THE COMMISSION EACH PERSON THAT IS AN OWNER OF, PRINCIPAL OF, OFFICER OF, MEMBER OF, PARTNER OF, OR DIRECTOR OF THE VEHICLE IMMOBILIZATION

COMPANY IN ACCORDANCE WITH RULES ADOPTED BY THE COMMISSION.

(b) THE COMMISSION MAY DENY AN APPLICATION FOR OR SUSPEND, REVOKE, OR REFUSE TO RENEW A PERMIT OF A VEHICLE IMMOBILIZATION COMPANY BASED ON A DETERMINATION THAT IT IS NOT IN THE PUBLIC INTEREST FOR THE VEHICLE IMMOBILIZATION COMPANY TO POSSESS A PERMIT. THE DETERMINATION IS SUBJECT TO APPEAL IN ACCORDANCE WITH COMMISSION RULES. A VEHICLE IMMOBILIZATION COMPANY'S POSSESSION OF A PERMIT IS REBUTTABLY PRESUMED TO BE NOT IN THE PUBLIC INTEREST IF THE VEHICLE IMMOBILIZATION COMPANY HAS WILLFULLY AND REPEATEDLY FAILED TO COMPLY WITH THIS ARTICLE 10.1.

(3)(a) Except as otherwise provided in subsection (2) of this section and section 40-10.1-112 (4), the commission shall issue a permit to a vehicle ~~booting~~ IMMOBILIZATION company upon completion of the application and the filing of proof of workers' compensation insurance coverage in accordance with the "Workers' Compensation Act of Colorado", articles 40 to 47 of title 8, and with the financial responsibility requirements of this title 40 and may attach to the permit and to the exercise of the rights granted by the permit any restrictions, terms, and conditions, including altering the rates and charges of the applicant, as are reasonably deemed necessary for the protection of the property of the public.

(b) If a vehicle ~~booting~~ IMMOBILIZATION company violates this article 10.1, any other applicable provision of law, or ~~any~~ A COMMISSION rule ADOPTED or COMMISSION order ~~of the commission~~ issued under this article 10.1 and as a result is ordered by a court or by the commission to pay a fine or civil penalty that the vehicle ~~booting~~ IMMOBILIZATION company subsequently fails to pay in full within the time prescribed for payment, and not before the decision imposing the fine or civil penalty becomes a final decision by the commission, then:

(I) The vehicle ~~booting~~ IMMOBILIZATION company's permit is revoked; ~~immediately~~; and

(II) The vehicle ~~booting~~ IMMOBILIZATION company, its owners, principals, officers, members, partners, and directors, and any other entity owned or operated by one or more of those owners, principals, officers, members, partners, or directors, may be disqualified from obtaining or renewing any operating authority under this title 40 for a period of five

years after the date on which the fine or civil penalty was due. The period of disqualification ~~pursuant to~~ DESCRIBED IN this subsection (3)(b)(II) is in addition to, and not in lieu of, and does not affect any other penalty or period of disqualification, including the period of disqualification specified in section 40-10.1-112 (4).

(c) A vehicle ~~booting~~ IMMOBILIZATION company's facilities and vehicles are subject to inspection by the commission and by authorized personnel of the Colorado state patrol, which agency shall promptly report to the commission concerning any violations revealed by an inspection.

(4) The commission may ~~promulgate~~ ADOPT rules as necessary and reasonable to implement this part 8, ~~including~~ rules regarding signage and drop fees, AND RULES REQUIRING A VEHICLE IMMOBILIZATION COMPANY TO MAINTAIN AND FILE WITH THE COMMISSION EVIDENCE OF FINANCIAL RESPONSIBILITY AND PROOF OF THE CONTINUED VALIDITY OF THE FINANCIAL RESPONSIBILITY.

(5) There is ~~hereby~~ created in the state treasury the vehicle booting cash fund, referred to in this ~~section~~ SUBSECTION (5) as the "fund", consisting of any fee revenue collected by the commission pursuant to this part 8 and ~~transmitted to the state treasurer for credit~~ CREDITED BY THE STATE TREASURER into the fund and any other money that the general assembly may appropriate or transfer to the fund. The money in the fund is continuously appropriated to the commission for its implementation of this part 8. The state treasurer shall credit all interest and income derived from the deposit and investment of money in the fund to the fund.

40-10.1-802. Vehicle immobilization company document vehicle's condition and reason for immobilization - adequate illumination. (1) BEFORE A VEHICLE IMMOBILIZATION COMPANY IMMOBILIZES A VEHICLE, THE COMPANY SHALL DOCUMENT THE VEHICLE'S CONDITION AND THE REASON FOR THE IMMOBILIZATION BY:

(a) TAKING AT LEAST ONE PHOTOGRAPH WITH A RESOLUTION OF AT LEAST TWO THOUSAND PIXELS BY AT LEAST TWO THOUSAND PIXELS THAT SHOWS THE VEHICLE IMMOBILIZATION DEVICE AND THE ENTIRE PORTION OF THE VEHICLE TO WHICH IT IS ATTACHED; AND

(b) TAKING AT LEAST ONE PHOTOGRAPH THAT SHOWS THE REASON

FOR THE VEHICLE BEING IMMOBILIZED. THE PHOTOGRAPH MUST:

(I) SHOW THE POSITION OF THE VEHICLE IN RELATION TO THE REASON, INCLUDING ANY SIGN, THAT THE VEHICLE WAS IMMOBILIZED; AND

(II) BE RENDERED IN A RESOLUTION OF AT LEAST TWO THOUSAND PIXELS BY AT LEAST TWO THOUSAND PIXELS.

(2) (a) UPON DEMAND BY AN AUTHORIZED OR INTERESTED PERSON, THE VEHICLE IMMOBILIZATION COMPANY SHALL PROVIDE COPIES OF THE PHOTOGRAPHS REQUIRED TO BE TAKEN BY SUBSECTION (1) OF THIS SECTION TO THE AUTHORIZED OR INTERESTED PERSON.

(b) (I) A REBUTTABLE PRESUMPTION THAT A VEHICLE IMMOBILIZATION COMPANY DAMAGED A VEHICLE IS CREATED BY EVIDENCE THAT:

(A) THE VEHICLE IMMOBILIZATION COMPANY HAS FAILED TO PRODUCE PHOTOGRAPHS OF THE VEHICLE'S CONDITION IN COMPLIANCE WITH SUBSECTION (2)(a) OF THIS SECTION; AND

(B) THE VEHICLE HAS SUFFERED DAMAGE.

(II) A VEHICLE IMMOBILIZATION COMPANY'S FAILURE TO PRODUCE A PHOTOGRAPH OF THE REASON FOR THE IMMOBILIZATION IN COMPLIANCE WITH SUBSECTION (2)(a) OF THIS SECTION CREATES A REBUTTABLE PRESUMPTION THAT THE VEHICLE IMMOBILIZATION COMPANY DID NOT HAVE AUTHORIZATION TO IMMOBILIZE A VEHICLE.

40-10.1-803. Vehicle immobilization company must display name. (1) (a) A VEHICLE IMMOBILIZATION COMPANY SHALL DISPLAY THE NAME OF THE COMPANY, THE PERMIT NUMBER, AND A PHONE NUMBER OF THE COMPANY ON EACH COMPANY VEHICLE USED IN IMMOBILIZATION.

(b) THE DISPLAY REQUIRED IN SUBSECTION (1)(a) OF THIS SECTION MUST BE DISPLAYED:

(I) ON EACH SIDE OF THE COMPANY VEHICLE IN PLAIN VIEW; AND

(II) WHEN IMMOBILIZING A VEHICLE, DRIVING TO IMMOBILIZE A

VEHICLE, OR DRIVING FROM IMMOBILIZING A VEHICLE, BUT THE DISPLAY NEED NOT BE PERMANENTLY AFFIXED TO THE COMPANY VEHICLE.

(c) THE LETTERING ON THE DISPLAY REQUIRED IN SUBSECTION (1)(a) OF THIS SECTION MUST BE:

(I) LEGIBLE DURING DAYLIGHT HOURS FROM A MINIMUM DISTANCE OF FIFTY FEET; AND

(II) AT LEAST THREE INCHES TALL.

(2) THE REPRESENTATIVE OF A VEHICLE IMMOBILIZATION COMPANY SHALL HAVE BUSINESS IDENTIFICATION VISIBLY WORN AT ALL TIMES WHILE IMMOBILIZING A VEHICLE OR ACCEPTING PAYMENT.

40-10.1-804. Immobilization - multiple devices. IF A VEHICLE HAS BEEN IMMOBILIZED BY A VEHICLE IMMOBILIZATION COMPANY, ANOTHER VEHICLE IMMOBILIZATION COMPANY SHALL NOT IMMOBILIZE THE VEHICLE UNTIL THE FIRST IMMOBILIZATION DEVICE HAS BEEN REMOVED. IF A VEHICLE IMMOBILIZATION COMPANY APPLIES MORE THAN ONE IMMOBILIZATION DEVICE TO A VEHICLE, THE COMPANY SHALL NOT CHARGE MORE THAN ONCE FOR THE REMOVAL OF ALL THE IMMOBILIZATION DEVICES.

40-10.1-805. Immobilization requirements and limitations - notice to vehicle owner or operator required. (1) (a) A VEHICLE IMMOBILIZATION COMPANY SHALL NOT IMMOBILIZE A VEHICLE ON PRIVATE PROPERTY UNLESS:

(I) THE IMMOBILIZATION IS EXPRESSLY ORDERED OR AUTHORIZED BY A COURT ORDER, AN ADMINISTRATIVE ORDER, OR A PEACE OFFICER OR BY OPERATION OF LAW; OR

(II) THE VEHICLE IMMOBILIZATION COMPANY HAS RECEIVED DOCUMENTED PERMISSION, WHICH MUST NOT BE AUTOMATED OR PREAPPROVED, FOR EACH INDIVIDUAL IMMOBILIZATION, WITHIN THE TWENTY-FOUR HOURS IMMEDIATELY PRECEDING THE IMMOBILIZATION, FROM THE FOLLOWING PERSON THAT MUST DOCUMENT THE PERMISSION BY SIGNING THE FORM CREATED IN ACCORDANCE WITH SUBSECTION (1)(b)(I) OF THIS SECTION:

(A) THE OWNER OF OR LEASEHOLDER OF THE PRIVATE PROPERTY; EXCEPT THAT, IF THE OWNER OR LEASEHOLDER WOULD EARN INCOME FROM THE IMMOBILIZATION, THE VEHICLE IMMOBILIZATION COMPANY SHALL NOT PERFORM THE IMMOBILIZATION BUT MAY AUTHORIZE ANOTHER VEHICLE IMMOBILIZATION COMPANY TO PERFORM THE IMMOBILIZATION;

(B) A PERSON SUBJECT TO THE "COLORADO COMMON INTEREST OWNERSHIP ACT", ARTICLE 33.3 OF TITLE 38, IF THE PRIVATE PROPERTY IS LOCATED WITHIN THE BOUNDARIES OF THE PERSON'S AREA OF OPERATION; OR

(C) AN EMPLOYEE OF A PERSON DESCRIBED IN SUBSECTION (1)(a)(II)(A) OR (1)(a)(II)(B) OF THIS SECTION OR AN EMPLOYEE OF A PROPERTY MANAGEMENT COMPANY RETAINED TO COLLECT RENT AND PERFORM RESIDENTIAL SERVICES; EXCEPT THAT THE EMPLOYEE WHO HAS A FINANCIAL INTEREST IN OR RELATIONSHIP WITH THE VEHICLE IMMOBILIZATION COMPANY OR A PARKING LOT MANAGEMENT COMPANY THAT EARNS INCOME FROM MANAGING OR CONTROLLING PARKING OR PERMISSION TO PARK OR THAT EARNS INCOME FROM IMMOBILIZATIONS SHALL NOT GRANT PERMISSION TO AUTHORIZE THE IMMOBILIZATION.

(b) (I) THE COMMISSION SHALL CREATE A FORM THAT IMPLEMENTS SUBSECTION (1)(a)(II) OF THIS SECTION.

(II) THE VEHICLE IMMOBILIZATION COMPANY MUST RETAIN FOR THREE YEARS AFTER THE IMMOBILIZATION THE SIGNED FORM REQUIRED BY SUBSECTION (1)(a)(II) OF THIS SECTION AND, UPON REQUEST, PROVIDE THE SIGNED FORM TO THE AUTHORIZED OR INTERESTED PERSON.

(2) A PROPERTY OWNER WITH TENANTS SHALL ISSUE EACH TENANT A WRITTEN DOCUMENT CONTAINING ANY APPLICABLE PARKING REGULATIONS BEFORE THE REGULATIONS ARE ADOPTED OR AMENDED OR BEFORE THE PERSON AGREES TO BE A TENANT.

(3) (a) EXCEPT AS PROVIDED IN SUBSECTION (3)(d) OF THIS SECTION, A VEHICLE IMMOBILIZATION COMPANY SHALL NOT IMMOBILIZE A VEHICLE IN A PARKING SPACE OR COMMON PARKING AREA WITHOUT THE VEHICLE IMMOBILIZATION COMPANY OR PROPERTY OWNER GIVING THE VEHICLE OWNER OR OPERATOR TWENTY-FOUR HOURS' WRITTEN NOTICE, UNLESS THE VEHICLE OWNER OR OPERATOR HAS RECEIVED A PREVIOUS NOTICE FOR

PARKING INAPPROPRIATELY IN THE SAME MANNER.

(b) THE VEHICLE IMMOBILIZATION COMPANY OR PROPERTY OWNER SHALL PROVIDE THE NOTICE REQUIRED IN SUBSECTION (3)(a) OF THIS SECTION BY PLACING A WRITTEN NOTICE ON THE WINDSHIELD OF THE VEHICLE AT LEAST TWENTY-FOUR HOURS BEFORE IMMOBILIZING THE VEHICLE.

(c) THE NOTICE REQUIRED IN SUBSECTION (3)(a) OF THIS SECTION MUST STATE CLEARLY:

(I) THAT THE VEHICLE WILL BE IMMOBILIZED IF THE VEHICLE REMAINS PARKED INAPPROPRIATELY;

(II) A DESCRIPTION OF THE INAPPROPRIATE PARKING THAT HAS CAUSED THE NOTICE TO BE GIVEN;

(III) THE DATE AND TIME THE VEHICLE WILL BE IMMOBILIZED IF IT IS NOT MOVED TO APPROPRIATE PARKING OR THE INAPPROPRIATE PARKING HAS NOT BEEN CORRECTED; AND

(IV) THAT CONTINUING TO PARK INAPPROPRIATELY IN THE SAME MANNER MAY LEAD TO THE VEHICLE BEING IMMOBILIZED WITHOUT NOTICE.

(d)(I) A VEHICLE IMMOBILIZATION COMPANY OR PROPERTY OWNER NEED NOT GIVE THE NOTICE REQUIRED IN SUBSECTION (3)(a) OF THIS SECTION BEFORE IMMOBILIZING THE VEHICLE IF THE VEHICLE IMMOBILIZATION COMPANY GIVES THE NOTICE REQUIRED IN SUBSECTION (3)(d)(II) OF THIS SECTION AND IF:

(A) THE VEHICLE IS PARKED A SECOND OR SUBSEQUENT TIME IN THE SAME INAPPROPRIATE MANNER THAT CAUSED IT TO RECEIVE PREVIOUS NOTICES;

(B) THE VEHICLE IS PARKED IN OR EFFECTIVELY OBSTRUCTING A FIRE HYDRANT OR A DESIGNATED AND MARKED FIRE ZONE;

(C) THE VEHICLE IS PARKED IN VIOLATION OF SECTION 42-4-1208(4) OR IN RESERVED PARKING FOR PEOPLE WITH DISABILITIES WITHOUT DISPLAYING AN IDENTIFYING PLACARD OR AN IDENTIFYING PLATE, AS THOSE

TERMS ARE DEFINED IN SECTION 42-3-204 (1)(f) AND (1)(g), THAT IS CURRENTLY VALID OR HAS BEEN EXPIRED FOR NO MORE THAN SIXTY DAYS;

(D) THE IMMOBILIZATION IS EXPRESSLY ORDERED OR AUTHORIZED BY A COURT ORDER, AN ADMINISTRATIVE ORDER, OR A PEACE OFFICER OR BY OPERATION OF LAW;

(E) THE VEHICLE SIGNIFICANTLY BLOCKS A DRIVEWAY OR ROADWAY ENOUGH TO EFFECTIVELY OBSTRUCT A PERSON'S ACCESS TO THE DRIVEWAY OR ROADWAY;

(F) THE VEHICLE IS PARKED IN AN INDIVIDUALLY DESIGNATED, RENTED, OR PURCHASED PARKING SPACE OF A RESIDENT; OR

(G) THE VEHICLE IS PARKED IN A PARKING LOT MARKED FOR THE EXCLUSIVE USE OF RESIDENTS; EXCEPT THAT THE NOTICE REQUIRED IN SUBSECTION (3)(a) OF THIS SECTION IS REQUIRED FOR PARKING SPACES THAT ARE DESIGNATED AS VISITOR PARKING.

(II) TO IMMOBILIZE A VEHICLE UNDER SUBSECTION (3)(d)(I) OF THIS SECTION, THE VEHICLE IMMOBILIZATION COMPANY MUST PLACE A NOTICE ON THE IMMOBILIZED VEHICLE THAT CONTAINS THE PHONE NUMBER OF THE COMPANY, THE NORMAL OPERATING HOURS OF THE COMPANY, AND THE PHONE NUMBER TO CONTACT THE COMPANY OUTSIDE OF NORMAL OPERATING HOURS.

(e) FOR PURPOSES OF THIS SUBSECTION (3), A VEHICLE IS PARKED INAPPROPRIATELY WHEN IT IS PARKED IN A MANNER THAT:

(I) VIOLATES THE PROCEDURES NECESSARY TO OBTAIN AUTHORIZATION TO PARK IN THE LOT OR SPACE;

(II) FAILS TO COMPLY WITH THE PROPERTY OWNER'S SIGNS OR THE AGREEMENTS OF THE TENANTS; OR

(III) VIOLATES A STATUTE, RULE, ORDINANCE, OR RESOLUTION OF THE STATE OR A POLITICAL SUBDIVISION OF THE STATE.

(4) (a) A VEHICLE IMMOBILIZATION COMPANY SHALL NOT IMMOBILIZE A VEHICLE ON PRIVATE PROPERTY NORMALLY USED FOR

PARKING UNLESS:

(I) NOTICE OF THE PARKING REGULATIONS WAS PROVIDED TO THE VEHICLE OPERATOR UPON ENTERING THE PRIVATE PROPERTY AND PARKING THE VEHICLE; AND

(II) NOTICE THAT A VEHICLE PARKED IN VIOLATION OF THE REGULATIONS IS SUBJECT TO IMMOBILIZATION AT THE VEHICLE OWNER'S EXPENSE WAS PROVIDED TO THE VEHICLE OPERATOR UPON ENTERING THE PRIVATE PROPERTY AND PARKING THE VEHICLE.

(b) A PROPERTY OWNER WITH TENANTS SHALL PROVIDE THE NOTICE DESCRIBED IN THIS SUBSECTION (4) BY ISSUING EACH TENANT A WRITTEN DOCUMENT CONTAINING THE APPLICABLE PARKING REGULATIONS BEFORE THE REGULATIONS ARE ADOPTED OR AMENDED OR BEFORE THE PERSON AGREES TO BE A TENANT.

(5) UNLESS THE IMMOBILIZATION IS BASED ON AN ORDER GIVEN BY A PEACE OFFICER, A VEHICLE IMMOBILIZATION COMPANY SHALL NOT IMMOBILIZE A VEHICLE ON PRIVATE PROPERTY BECAUSE THE REAR LICENSE PLATE OF THE VEHICLE OR THE RECORD OBTAINED USING THE SYSTEM DESCRIBED IN SECTION 42-4-2103 (3)(c)(III) INDICATES THAT THE VEHICLE'S REGISTRATION HAS EXPIRED.

(6) A VEHICLE IMMOBILIZATION COMPANY SHALL NOT IMMOBILIZE A VEHICLE BECAUSE THE VEHICLE IS INOPERABLE IF THE VEHICLE IS OWNED BY A RESIDENT AND IS PARKED IN THE RESIDENT'S DESIGNATED, RENTED, OR PURCHASED PARKING SPACE OR DRIVEWAY OR IN A MOBILE HOME LOT THAT IS LEASED OR OWNED BY THE RESIDENT.

40-10.1-806. Signage required to immobilize a vehicle - effective date. (1) IN ORDER FOR A VEHICLE IMMOBILIZATION COMPANY TO IMMOBILIZE A VEHICLE, THE PROPERTY OWNER MUST HAVE POSTED SIGNAGE THAT:

(a) IS NOT LESS THAN TWO SQUARE FEET IN SIZE;

(b) HAS LETTERING NOT LESS THAN ONE INCH IN HEIGHT;

(c) HAS LETTERING THAT CONTRASTS SHARPLY IN COLOR WITH THE

BACKGROUND ON WHICH THE LETTERS ARE PLACED AND CONTRASTS SHARPLY WITH THE STRUCTURE THE SIGNS ARE PLACED ON;

(d) CONTAINS THE FOLLOWING INFORMATION IN THE ORDER LISTED BELOW:

(I) THE RESTRICTION OR PROHIBITION ON PARKING;

(II) THE TIMES OF THE DAY AND DAYS THAT THE RESTRICTION IS APPLICABLE, BUT, IF THE RESTRICTION APPLIES TWENTY-FOUR HOURS PER DAY, SEVEN DAYS PER WEEK, THE SIGN MUST SAY "AUTHORIZED PARKING ONLY";

(III) NOTICE THAT VIOLATING THE REGULATION SUBJECTS THE VIOLATING VEHICLE TO BE IMMOBILIZED AT THE VEHICLE OWNER'S EXPENSE; AND

(IV) THE NAME AND TELEPHONE NUMBER OF THE VEHICLE IMMOBILIZATION COMPANY AUTHORIZED TO PERFORM IMMOBILIZATIONS ON THE PRIVATE PROPERTY;

(e) IS PRINTED IN ENGLISH AND SPANISH;

(f) IS PERMANENTLY MOUNTED BOTH:

(I) AT EACH ENTRANCE TO THE PRIVATE PROPERTY SO THAT THE SIGN FACES OUTWARD TOWARD THE STREET AND IS VISIBLE BEFORE AND UPON ENTERING THE PRIVATE PROPERTY; AND

(II) INSIDE THE PRIVATE PROPERTY SO THAT THE SIGN FACES OUTWARD TOWARD THE PARKING AREA;

(g) IS NOT OBSTRUCTED FROM VIEW OR PLACED IN A MANNER THAT PREVENTS DIRECT VISIBILITY;

(h) IS NOT PLACED HIGHER THAN TEN FEET OR LOWER THAN THREE FEET FROM THE SURFACE CLOSEST TO THE SIGN'S PLACEMENT;

(i) HAS THE SAME NUMBER OF SIGNS AS THE NUMBER OF LAMPPOSTS IF THE PARKING AREA HAS MORE THAN TEN FREESTANDING LAMPPOSTS ON

THE PROPERTY, AND:

(I) A SIGN IS POSTED ON EACH LAMPPOST; OR

(II) A SIGN IS POSTED UPRIGHT IN CONSPICUOUS LOCATIONS EVENLY DISTRIBUTED ACROSS THE PARKING AREA.

(2) THE SIGNAGE REQUIRED BY THIS SECTION MAY BE COMBINED WITH THE SIGNAGE REQUIRED IN SECTION 40-10.1-405.

(3) (a) THIS SECTION IS EFFECTIVE JANUARY 1, 2026.

(b) THIS SUBSECTION (3) IS REPEALED, EFFECTIVE JULY 2, 2026.

40-10.1-807. Patrolling prohibited. A VEHICLE IMMOBILIZATION COMPANY SHALL NOT PATROL OR MONITOR PROPERTY TO ENFORCE PARKING RESTRICTIONS ON BEHALF OF A PROPERTY OWNER.

40-10.1-808. Insurance must be provided. IN CONNECTION WITH AN IMMOBILIZATION, A VEHICLE IMMOBILIZATION COMPANY SHALL PROVIDE, UPON REQUEST, EVIDENCE OF THE VEHICLE IMMOBILIZATION COMPANY'S COMMERCIAL LIABILITY INSURANCE COVERAGE, INCLUDING MOTOR VEHICLE LIABILITY COVERAGE, TO AN AUTHORIZED OR INTERESTED PERSON.

40-10.1-809. Payment requirements - itemized bills. (1) (a) A VEHICLE IMMOBILIZATION COMPANY SHALL IMMEDIATELY ACCEPT PAYMENT IF OFFERED IN CASH OR BY VALID MAJOR CREDIT CARD. UPON PAYMENT, THE VEHICLE IMMOBILIZATION COMPANY SHALL RELEASE THE VEHICLE TO AN AUTHORIZED OR INTERESTED PERSON.

(b) A VEHICLE IMMOBILIZATION COMPANY SHALL DISCLOSE ACCEPTED FORMS OF PAYMENT, INCLUDING THOSE FORMS REQUIRED TO BE ACCEPTED IN ACCORDANCE WITH SUBSECTION (1)(a) OF THIS SECTION.

(2) A VEHICLE IMMOBILIZATION COMPANY SHALL PROVIDE TO AN AUTHORIZED OR INTERESTED PERSON AN ITEMIZED BILL SHOWING EACH CHARGE AND THE RATE FOR EACH FEE INCURRED AS A RESULT OF AN IMMOBILIZATION AND ANY FEE THAT CAUSED THE IMMOBILIZATION.

40-10.1-810. Release requirements - notice - private property -

release for nonconsensual tow. (1) IF A VEHICLE IMMOBILIZATION COMPANY HAS IMMOBILIZED A VEHICLE ON PRIVATE PROPERTY, THE VEHICLE IMMOBILIZATION COMPANY SHALL GIVE THE AUTHORIZED OR INTERESTED PERSON THAT IS HAVING THE VEHICLE RELEASED A WRITTEN NOTICE OF THE PERSON'S ABILITY TO MAKE A COMPLAINT TO THE COMMISSION. THE NOTICE:

(a) MUST BE WRITTEN IN A CONSPICUOUS TYPEFACE AND FONT ON THE INVOICE, RECEIPT, AND BILL FOR RELEASING THE VEHICLE; AND

(b) MUST NOT BE IN A TYPEFACE OR FONT THAT IS SMALLER THAN THE OTHER NUMBERS OR WORDS ON THE INVOICE, RECEIPT, OR BILL, AS APPLICABLE.

(2) A VEHICLE IMMOBILIZATION COMPANY SHALL RELEASE THE MOTOR VEHICLE TO AN AUTHORIZED OR INTERESTED PERSON EITHER:

(a) WITHIN ONE HUNDRED TWENTY MINUTES AFTER BEING CONTACTED BY THE AUTHORIZED OR INTERESTED PERSON OUTSIDE OF THE VEHICLE IMMOBILIZATION COMPANY'S NORMAL BUSINESS HOURS; OR

(b) WITHIN NINETY MINUTES AFTER BEING CONTACTED BY THE AUTHORIZED OR INTERESTED PERSON DURING THE VEHICLE IMMOBILIZATION COMPANY'S NORMAL BUSINESS HOURS.

(3) A VEHICLE IMMOBILIZATION COMPANY SHALL IMMEDIATELY RELEASE A VEHICLE AND REMOVE THE IMMOBILIZATION DEVICE WITHOUT CHARGE TO A TOWING CARRIER WHEN EVIDENCE IS PRESENTED THAT THE TOWING CARRIER HAS AUTHORIZATION TO CONDUCT A NONCONSENSUAL TOW OR LAW-ENFORCEMENT-DIRECTED TOW.

(4) (a) A VEHICLE IMMOBILIZATION COMPANY MAY REMOTELY RELEASE AN IMMOBILIZATION DEVICE FROM A VEHICLE. THE VEHICLE IMMOBILIZATION COMPANY SHALL RETRIEVE THE IMMOBILIZATION DEVICE WITHIN ONE HUNDRED TWENTY MINUTES AFTER RELEASING IT.

(b) THE DRIVER OF A REMOTELY RELEASED VEHICLE SHALL MOVE THE IMMOBILIZATION DEVICE FROM THE ROAD SO THAT IT IS NOT A HAZARD TO VEHICLES OR PEDESTRIANS UNLESS THE DRIVER HAS A PHYSICAL LIMITATION THAT MAKES MOVING THE DEVICE UNREASONABLY DIFFICULT OR IMPOSSIBLE. THE OWNER OR OPERATOR NEED NOT RETURN THE DEVICE TO

THE VEHICLE IMMOBILIZATION COMPANY OR A LOCATION SPECIFIED BY THE VEHICLE IMMOBILIZATION COMPANY.

40-10.1-811. Partial-payment release - partial charge - form required. (1) (a) A VEHICLE IMMOBILIZATION COMPANY SHALL IMMEDIATELY RELEASE AN IMMOBILIZED VEHICLE IF:

(I) THE AUTHORIZED OR INTERESTED PERSON PAYS AT LEAST SIXTY DOLLARS OF THE AMOUNT OWED TO THE VEHICLE IMMOBILIZATION COMPANY FOR THE IMMOBILIZATION;

(II) THE AUTHORIZED OR INTERESTED PERSON IS NOT A LIENHOLDER OR INSURANCE COMPANY; AND

(III) THE AUTHORIZED OR INTERESTED PERSON COMPLIES WITH SUBSECTION (1)(b) OF THIS SECTION.

(b) (I) FOR AN AUTHORIZED OR INTERESTED PERSON TO RETRIEVE A VEHICLE WITHOUT PAYING THE VEHICLE IMMOBILIZATION COMPANY THE TOTAL AMOUNT OWED TO THE COMPANY, THE AUTHORIZED OR INTERESTED PERSON MUST SIGN A FORM AFFIRMING THAT THE AUTHORIZED OR INTERESTED PERSON OWES THE COMPANY PAYMENT FOR FEES THAT COMPLY WITH THIS ARTICLE 10.1 OR ARTICLE 20 OF TITLE 38. KNOWINGLY PROVIDING FALSE INFORMATION ON THE FORM IS UNLAWFUL. SIGNING THE FORM DOES NOT PROHIBIT AN AUTHORIZED OR INTERESTED PERSON FROM FILING A COMPLAINT WITH THE COMMISSION OR PURSUING OTHER REMEDIES. THE VEHICLE IMMOBILIZATION COMPANY MAY USE THE FORM TO TAKE REASONABLE ACTIONS TO COLLECT THE DEBT. REASONABLE ACTIONS INCLUDE INITIATING A COURT ACTION OR USING A COLLECTION AGENCY.

(II) THE COMMISSION SHALL:

(A) CREATE THE FORM;

(B) TITLE THE FORM: "IMMOBILIZED VEHICLE RELEASE NOTICE WITH PAYMENT OWED"; AND

(C) PROVIDE THE FORM ON THE COMMISSION'S WEBSITE FOR VEHICLE IMMOBILIZATION COMPANIES TO RETRIEVE AND USE.

(c) TO RELEASE A VEHICLE IN ACCORDANCE WITH SUBSECTION (1)(a) OF THIS SECTION, A VEHICLE IMMOBILIZATION COMPANY SHALL NOT REQUIRE A PERSON TO UNDERGO AN APPROVAL PROCESS, OTHER THAN SIGNING THE FORM CREATED PURSUANT TO SUBSECTION (1)(b) OF THIS SECTION.

(2) (a) A VEHICLE IMMOBILIZATION COMPANY SHALL CHARGE A REDUCED RELEASE CHARGE IN AN AMOUNT SET BY THE COMMISSION TO RELEASE A VEHICLE IF THE VEHICLE IS RELEASED AFTER AN EMPLOYEE OF OR AGENT OF THE VEHICLE IMMOBILIZATION COMPANY STARTS TO IMMOBILIZE THE VEHICLE BUT BEFORE THE AGENT OR EMPLOYEE LEAVES THE PRIVATE PROPERTY.

(b) IF APPROACHED BY AN AUTHORIZED OR INTERESTED PERSON BEFORE THE VEHICLE IS IMMOBILIZED ON PRIVATE PROPERTY, THE VEHICLE IMMOBILIZATION COMPANY SHALL NOTIFY THE AUTHORIZED OR INTERESTED PERSON THAT THE COMPANY IS REQUIRED TO RELEASE THE VEHICLE UPON REQUEST OF THE AUTHORIZED OR INTERESTED PERSON AND PAYMENT OF THE CHARGE DESCRIBED IN SUBSECTION (2)(a) OF THIS SECTION.

(c) UPON REQUEST BY THE AUTHORIZED OR INTERESTED PERSON AND PAYMENT OF THE CHARGE DESCRIBED IN SUBSECTION (2)(a) OF THIS SECTION, THE VEHICLE IMMOBILIZATION COMPANY SHALL IMMEDIATELY STOP AN IMMOBILIZATION IN PROGRESS ON PRIVATE PROPERTY.

40-10.1-812. Records. A VEHICLE IMMOBILIZATION COMPANY SHALL RETAIN EVIDENCE, INCLUDING PHOTOGRAPHS OF THE RELEVANT SIGNS AND OF THE VEHICLE, OF GIVING THE NOTICES AND DISCLOSURES REQUIRED IN SECTIONS 40-10.1-802, 40-10.1-805, AND 40-10.1-806 FOR THREE YEARS AFTER THE DATE OF COMPLETION OF AN IMMOBILIZATION AND PROVIDE THE EVIDENCE TO THE COMMISSION OR AN ENFORCEMENT OFFICIAL UPON REQUEST.

40-10.1-813. Applicability - exceptions. (1) SECTIONS 40-10.1-802 TO 40-10.1-812 DO NOT APPLY TO:

(a) AN IMMOBILIZATION ORDERED BY A PEACE OFFICER OR TECHNICIAN DIRECTED BY A PEACE OFFICER IN THE COURSE AND SCOPE OF THE OFFICER'S OR TECHNICIAN'S DUTIES;

(b) AN IMMOBILIZATION IN A PARKING SPACE THAT SERVES A

BUSINESS IF THE PARKING SPACE IS ON COMMERCIAL REAL ESTATE, AS DEFINED IN SECTION 38-22.5-102 (2);

(c) AN IMMOBILIZATION ORDERED BY A MUNICIPALITY, A COUNTY, OR A CITY AND COUNTY OR PERFORMED BY AN AGENT OF, CONTRACTOR OF, OR EMPLOYEE OF A MUNICIPALITY, A COUNTY, OR A CITY AND COUNTY; OR

(d) AN IMMOBILIZATION IN A PARKING SPACE THAT IS ON FEDERALLY LEASED LAND AND THAT IS USED FOR COMMERCIAL PARKING PURPOSES.

40-10.1-814. Kickbacks prohibited. A VEHICLE IMMOBILIZATION COMPANY SHALL NOT PAY MONEY OR PROVIDE OTHER VALUABLE CONSIDERATION FOR THE PRIVILEGE OF IMMOBILIZING VEHICLES.

40-10.1-815. Rules. THE COMMISSION MAY ADOPT RULES AS NECESSARY AND REASONABLE TO IMPLEMENT THIS PART 8.

40-10.1-816. Violators subject to penalties. AN IMMOBILIZATION IN VIOLATION OF SECTIONS 40-10.1-802 TO 40-10.1-812 OR SECTION 40-10.1-814 BY A VEHICLE IMMOBILIZATION COMPANY IS A DECEPTIVE TRADE PRACTICE UNDER SECTION 6-1-105 (1)(mmmm) AND IS SUBJECT TO ENFORCEMENT BY THE ATTORNEY GENERAL'S OFFICE OR A DISTRICT ATTORNEY.

SECTION 4. In Colorado Revised Statutes, 6-1-105, **add** (1)(mmmm) as follows:

6-1-105. Unfair or deceptive trade practices - definitions. (1) A person engages in a deceptive trade practice when, in the course of the person's business, vocation, or occupation, the person:

(mmmm) IS A VEHICLE IMMOBILIZATION COMPANY AND IMMOBILIZES A VEHICLE IN VIOLATION OF SECTIONS 40-10.1-802 TO 40-10.1-812 OR SECTION 40-10.1-814.

SECTION 5. Applicability. This act applies to violations committed on or after the effective date of this act.

SECTION 6. Safety clause. The general assembly finds, determines, and declares that this act is necessary for the immediate

preservation of the public peace, health, or safety or for appropriations for the support and maintenance of the departments of the state and state institutions.

Julie McCluskie
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

James Rashad Coleman, Sr.
PRESIDENT OF
THE SENATE

Vanessa Reilly
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

Esther van Mourik
SECRETARY OF
THE SENATE

APPROVED _____
(Date and Time)

Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO