

DEPARTMENT OF REVENUE

Division of Motor Vehicles – ~~Title and Registration~~ Vehicle Services Section

1 CCR 204-10

RULE 19. BONDING FOR COLORADO CERTIFICATE OF TITLE

Basis: The statutory bases for this ~~regulation rule~~ are 42-6-104, 42-6-107(1)(b), 42-6-115, 42-6-116, and 42-6-117, C.R.S.

Purpose: The ~~following rule is promulgated~~ purpose of this rule is to clarify documents required and processes ~~relating to~~ for bonding for a Colorado certificate of title when satisfactory evidence of vehicle proof of ownership cannot be provided by an applicant

1.0 Definitions

- 1.1 “Certified VIN Inspection” means a vehicle identification number (VIN) inspection conducted by a Peace Officers Standards and Training (P.O.S.T.) certified inspector completed on forms provided by the Department.
- 1.2 “Secure Form” means a form produced through a secure printing process or other secure process which deters counterfeiting and/or unauthorized reproduction and allows alterations to be visible to the naked eye.

2.0 Bonding for Title

- 2.1 An applicant that is unable to provide satisfactory evidence of proof of ownership of a vehicle ~~pursuant to Code of Colorado Regulation 1 CCR 204-10 Rule 18. Satisfactory Evidence Of Vehicle Ownership~~ shall be required to perform the bonding for title requirements listed in 42-6-115, C.R.S., in order to obtain a Colorado certificate of title.
- 2.2 A Colorado certificate of title will be issued upon successful completion of the requirements listed in ~~this subsection 2.0 below~~ 42-6-115, C.R.S., and this rule. The applicant must:
 - a. Provide a Certified VIN Inspection. The Certified VIN Inspection must not be over one year old at the time of ~~bonding for title~~ application.
 - b. Obtain and provide a title record search. The title record search may not be older than one-year from the date of ~~bonding for title~~ application; and
 - i. Vehicles ~~titled and~~ registered in the State of Colorado must have a Colorado title record search completed ~~on the~~ using form DR2489A Motor Vehicle Requestor Release And An Affidavit Of Intended Use.

- ii. Vehicles registered out-of-state or that display an out-of-state license plate or that show an out-of-state reference on a title record search must have a title and lien record search completed from the state in which the vehicle was last titled along with the Colorado title record search. **A copy of that states VIN inspection that is not older than one-year from the date of application for the vehicle must be provided with the bond application.**
- c. Provide proof of an attempt to contact all owner(s) and lienholder(s) identified on the title record search(es) through certified or registered mail. The proof of attempted contact must include the following:
 - i. A copy of the letter sent to all owner(s) and lienholder(s). The letter must contain:
 - 1. The vehicle year, make, and VIN;
 - 2. The applicant's intent (e.g., retain the vehicle, sell the vehicle); and
 - 3. The applicant's contact information.
 - 4. The letter to the lienholder shall also include:
 - A) The date of the lien(s);
 - B) The amount secured by the vehicle; and
 - C) Where the liens are of public record.
 - ii. One of the following documents demonstrating mailing of the letter with the U.S. Postal Service or other commercial mailing entity (e.g., FedEx, UPS, DHL):
 - 1. Certified receipt, or
 - 2. Domestic Return Receipt – U.S. Postal Form PS 3811, or
 - 3. Undeliverable notification
- d. Provide a lien release for all active liens indicated on the title record search(es). Lien releases must be on the lienholder's letterhead, unless the lienholder is an individual, and must include the vehicle year, make, VIN, titled owner's name(s), agent's signature, date of lien release, and must be signed under penalty of perjury in the second degree as defined in 18-8-503, C.R.S. The lien release must be a signed original or signed duplicate of the mortgage or copy thereof, certified by the holder of the mortgage or the holder's agent to be a true copy of the signed original mortgage.

- i. If an attempt is made to secure a lien release and the lienholder is not available or has failed to respond, the applicant must provide one of the following documents demonstrating mailing the letter to the lienholder's last known address with the U.S. Postal Service or other commercial mailing entity (e.g., FedEx, UPS, DHL):
 - 1. Certified receipt, or
 - 2. Domestic Return Receipt – U.S. Postal Form PS 3811, or
 - 3. Undeliverable notification
 - e. Provide the reasonable appraised value of the vehicle pursuant to 42-6-115(3)(a), C.R.S. The appraisal must be for the current condition of the vehicle at the time of **bonding for title** application ~~for a Colorado certificate of title~~. The appraisal must describe the vehicle by the VIN, year, and make, and must be established as listed by one of the following:
 - i. An appraisal from a Colorado licensed motor vehicle dealer or used motor vehicle dealer that is signed by the dealer, dated, and states the dealership's license number. If the appraisal is not on the dealer's letterhead, the appraisal must be notarized and signed under penalty of perjury, or
 - ii. A current value obtained from Kelly Blue Book. When using the current value from the Kelly Blue Book, **a the** form DR 2444 Statement of Fact is also required stating that the applicant desires to use the amount listed as the current retail market value. The applicant must circle or mark that amount on the Kelly Blue Book printout, or
 - iii. A Current value from the National Automobile Dealers Association (N.A.D.A.) Official Used Car Guide. When using the current value from NADA, **a the** form DR 2444 Statement of Fact is also required stating that the applicant desires to use the amount listed as the current retail market value. The applicant must circle or mark that amount on the NADA printout.
 - f. Provide proof of a surety bond for twice the appraised value shown on the appraisal, unless exempted pursuant to 42-6-115(3)(b), C.R.S.
- 2.3 If the vehicle record search(es) completed in paragraph 2.2b above indicates the vehicle is salvage, then the applicant must complete the rebuilt from salvage ~~processes contained in Code of Colorado Regulations 1 CCR 204-10 Rule 31. Salvage and Rebuilt From Salvage Certificate of Title Requirements~~ requirements listed on form DR 2415 Rebuilt Title Established By Salvage Title Checklist.

- 2.4 The applicant must disclose at the time of ~~bonding for title~~ application ~~for Colorado certificate of title~~ the vehicle's odometer reading on the Secure Form DR 2173 Motor Vehicle Bill Of Sale provided by the Department for vehicles with model years of less than ~~ten~~ **twenty** years ~~beginning with model year 2011 on January 1, 2021.~~
- 2.5 If the vehicle is a trailer weighing 2,000 pounds or less, and the applicant provides a form DR 2697 Certification of Equipment Compliance for Homemade and In Lieu of Bond Trailers, and the applicant completes the form DR 2908 In Lieu Of Bonding For Trailer 2000 Pounds or Less Checklist, as necessary, then the applicant is deemed to have provided **sufficient** evidence of ownership satisfactory to the director for purposes of this rule and is not required to purchase a surety bond.

3.0 ~~Application Rejection Appeals~~

- 3.1 Applicants who have been denied issuance of a Colorado certificate of title ~~upon submitting bonding for title application~~ the applicant may request a hearing, in writing, within ~~thirty~~ **60** days after the ~~date of notice of denial notice is issued.~~ Written hearing requests shall be submitted to the Department of Revenue, ~~Enforcement Unit, Hearings Section, 1881 Pierce Street, Room #106, Lakewood, CO 80214-Hearing Division.~~
- 3.2 The hearing shall be held at the Department of Revenue, ~~Enforcement Unit, Hearing Section, 1881 Pierce Street, Room #106, Lakewood, CO 80214 Hearing Division.~~ The presiding hearing officer shall be an authorized representative designated by the Executive Director. The ~~D~~-department's representative need not be present at the hearing unless ~~the presiding hearing officer requires~~ his or her presence ~~is required by the presiding officer,~~ or the person requesting the hearing requests his or her presence in writing. ~~requested by the applicant at the time the written request for hearing is submitted.~~ If the ~~D~~-department's representative is not present at the hearing, ~~any written documents and affidavits submitted by the Department may be considered at the discretion of the hearing officer~~ the hearing officer has the discretion to consider any written documents and affidavits submitted by the department.