

Colorado Revised Statutes

-  **Colorado Revised Statutes**
-  **TITLE 42 VEHICLES AND TRAFFIC**
-  **MOTOR VEHICLE FINANCIAL RESPONSIBILITY LAW**
-  **ARTICLE 7 Motor Vehicle Financial Responsibility Law**
-  **PART 4 PROOF OF FINANCIAL RESPONSIBILITY — JUDGMENTS AND CONVICTIONS**

42-7-408. Proof of financial responsibility — methods of giving proof — duration — exception.

(1)(a) Proof of financial responsibility for the future, when required under this article, may be given by the following alternate methods:

(I) Proof that a policy of liability insurance has been obtained and is in full force and effect or that a bond has been duly executed or that deposit has been made of money; or

(II) Securities as provided in section [42-7-418](#).

(b) Proof of financial responsibility for the future in the amounts provided in section [42-7-103](#)(14) shall be maintained for three years from the date last required and shall be furnished for each motor vehicle registered during that period; except that, if during such three-year period the insured has not been licensed to drive pursuant to this title, the insured shall be credited with the nonlicensed time toward the three-year period.

(c) Notwithstanding the three-year requirement in paragraph (b) of this subsection (1):

(I) If an insured has been found guilty of DUI, DUI per se, DWAI, or habitual user or if the insured's license has been revoked pursuant to section [42-2-126](#), other than a revocation under section [42-2-126](#)(3)(b) or (3)(e), only one time and no accident was involved in such offense, proof of financial responsibility for the future shall be required to be maintained only for as long as the insured's driving privilege is ordered to be under restraint, up to a maximum of three years. The time period for maintaining the future proof of liability insurance shall begin at the time the driver reinstates his or her driving privilege.

(II) If an insured has been found guilty of a second or subsequent offense of UDD with a BAC of at least 0.02 but not more than 0.05 or if the insured's driver's license has been revoked because of a second or subsequent offense pursuant to section [42-2-126](#)(3)(b) or (3)(e), proof of financial responsibility for the future shall be required to be maintained only for as long as the insured's driving privilege is ordered to be under restraint. The time period for maintaining the future proof of liability insurance shall begin at the time the driver reinstates his or her driving privilege.

(2) The term of the policy of liability insurance or the bond submitted as proof of financial responsibility for the future shall be for a minimum of three months.

(3) If an insured's driver's license is cancelled pursuant to section [42-2-125](#)(4), and after such cancellation neither a court of competent jurisdiction nor an administrative hearing officer determines that the charges have been proved, the insured shall not be required to comply with the proof of financial responsibility requirements stated in this section.

(4) If at any time when insurance is required to be maintained in accordance with section [42-4-1409](#) or this article it is not so maintained or becomes invalid, the director shall suspend the driver's license of the person who has not maintained the required insurance and shall not reinstate the license of such person until future proof of financial responsibility is provided in accordance with section [42-7-406](#)(1).

(5) Repealed.

(6) (a) Upon receipt of evidence from an agency of another state or foreign jurisdiction that a former Colorado resident has obtained a license in such state or foreign jurisdiction, the director shall suspend the requirement for proof of financial responsibility for the future until such time as the former resident has made application for a new Colorado license.

(b) If such former resident makes application for a Colorado driver's license, the director shall reinstate the requirement for proof of financial responsibility for the future until such time as the original requirement to maintain proof of financial responsibility for the future has expired.

Source: L. 94: Entire title amended with relocations, p. 2482, § 1, effective January 1, 1995. L. 95: (1) amended and (3) added, p. 709, § 6, effective May 23. L. 96: (1)(c) amended and (4) and (5) added, p. 1211, § 9, effective June 1. L. 97: (6) added, p. 338, § 1, effective April 19; (1)(c) and (5) amended, p. 1388, § 10, effective July 1; (1)(c) amended, p. 1470, § 17, effective July 1. L. 98: (1)(c)(II) amended, p. 176, § 8, effective April 6. L. 2008: (1)(c) amended, p. 254, § 25, effective July 1.

Editor's note: (1) Amendments to subsection (1)(c) by House Bill 97-1003 and House Bill 97-1301 were harmonized.

(2) Subsection (5)(b) provided for the repeal of subsection (5), effective July 1, 1998. (See L. 97, p. 1388.)