

Second Regular Session
Sixty-eighth General Assembly
STATE OF COLORADO

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 12-0307.02 Jery Payne x2157

HOUSE BILL 12-1266

HOUSE SPONSORSHIP

Sonnenberg, Gardner B.

SENATE SPONSORSHIP

Morse,

House Committees

Judiciary
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE CONTINUATION OF THE LICENSING OF PERSONS WHO**
102 **FURNISH BAIL FOR COMPENSATION.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

Sunset Process - House Judiciary Committee. The bill continues the regulation of bail bonding agents until September 1, 2017. The daily bond register requirement is replaced with a requirement that the information be kept in a case file and clarifies that the requirement applies to cash bonding agents and professional cash bail agents. A

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

prohibition against licensing firms is repealed. Bail-related transactions are required to be made on forms approved by the division of insurance.

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

2 **SECTION 1.** In Colorado Revised Statutes, 10-1-102, **amend** (3);
3 and **add** (3.5) as follows:

4 **10-1-102. Definitions.** As used in this title, unless the context
5 otherwise requires:

6 (3) "Admitted company" or "authorized company" designates
7 companies duly qualified and licensed to transact business in this state,
8 under the provisions of this title. "Nonadmitted companies" or
9 "unauthorized companies" designates companies not licensed to transact
10 business in this state, under the provisions of this title (except article 15)
11 ~~article 7 of title 12~~, and article 14 of title 24, C.R.S.

12 (3.5) "BAIL INSURANCE COMPANY" MEANS AN INSURER ENGAGED
13 IN THE BUSINESS OF WRITING BAIL BONDS THROUGH BONDING AGENTS AND
14 SUBJECT TO REGULATION BY THE DIVISION.

15 **SECTION 2.** In Colorado Revised Statutes, 10-1-103, **amend** (3)
16 and (6) (b) (I) (D); and **repeal** (6) (b) (I) (A) as follows:

17 **10-1-103. Division of insurance - subject to termination -**
18 **repeal of functions.** (3) All direct and indirect expenditures of the
19 division ~~shall be~~ ARE paid from the division of insurance cash fund,
20 which fund is hereby created in the state treasury. All fees collected
21 ~~pursuant to~~ UNDER sections 8-44-204 (7), C.R.S., 8-44-205 (6), C.R.S.,
22 10-2-413, 10-3-108, 10-3-207, 10-3.5-104, 10-3.5-107, 10-12-106,
23 10-15-103, 10-16-110 (1) and (2), 10-16-111 (1), 10-23-102, 10-23-104,
24 24-10-115.5 (5), C.R.S., and 29-13-102 (5), C.R.S., not including fees
25 retained ~~pursuant to~~ UNDER contracts entered into in accordance with

1 section 10-2-402 (5) or 24-34-101, C.R.S., and all taxes collected
2 pursuant to UNDER section 10-3-209 (4) designated for the division of
3 insurance, shall be ARE transmitted to the state treasurer, who shall credit
4 the same MONEYS to the division of insurance cash fund. THE DIVISION
5 SHALL USE all moneys credited to the division of insurance cash fund shall
6 be used as provided in this section and in section 24-48.5-106, C.R.S.,
7 shall not be deposited in or transferred SUBJECT TO ANNUAL
8 APPROPRIATION BY THE GENERAL ASSEMBLY FOR THE PURPOSES
9 AUTHORIZED IN THIS TITLE AND AS OTHERWISE AUTHORIZED BY LAW.
10 MONEYS IN THE FUND DO NOT REVERT to the general fund of this state or
11 to any other fund. and shall be subject to annual appropriation by the
12 general assembly for the purposes authorized in this title and as otherwise
13 authorized by law. In accordance with section 24-36-114, C.R.S., all
14 interest derived from the deposit and investment of moneys in the fund
15 shall be IS credited to the general fund.

16 (6) (b) (I) (A) ~~The functions of the division of insurance related~~
17 ~~to the licensing of bail bonding agents are repealed, effective July 1,~~
18 ~~2012, pursuant to the provisions of this section and section 12-7-112,~~
19 ~~C.R.S.~~

20 (D) The functions of the division of insurance other than those
21 functions related to the licensing of bail bonding agents, are repealed,
22 effective July 1, 2017, pursuant to this section and section 24-34-104
23 (48), C.R.S.

24 **SECTION 3.** In Colorado Revised Statutes, 10-1-108, amend (5),
25 (8), and (9) as follows:

26 **10-1-108. Duties of commissioner - reports - publications - fees**
27 **- disposition of funds - adoption of rules - examinations and**

1 **investigations.** (5) It is the duty of the commissioner to make such
2 investigations and examinations as are authorized by this title (except
3 article 15) ~~article 7 of title 12~~, and article 14 of title 24, C.R.S., and to
4 investigate such information as is presented to the commissioner by
5 authority that the commissioner believes to be reliable pertaining to
6 violation of the insurance laws of Colorado, and it is the commissioner's
7 duty to present the result of such investigations and examinations for
8 further investigation and prosecution to either the district attorney of the
9 proper judicial district or the attorney general when, in the commissioner's
10 opinion, such violations justify such action.

11 (8) It is the duty of the commissioner to examine all requests and
12 applications from insurers for certificates of authority to be issued
13 pursuant to section 10-3-105. The commissioner is authorized to refuse
14 to issue any such certificates of authority until the commissioner is
15 reasonably satisfied as to the qualifications and general fitness of the
16 insurer to comply with the requirements of the provisions of this title
17 (except article 15) ~~article 7 of title 12~~, and article 14 of title 24, C.R.S.

18 (9) It is the duty of the commissioner to transmit all surcharges,
19 costs, taxes, penalties, and fines collected by the division of insurance
20 under any provision of this title (except article 15) ~~article 7 of title 12~~, and
21 article 14 of title 24, C.R.S., to the department of the treasury. All funds
22 so transmitted shall be credited to the general fund; except that any funds
23 collected by the commissioner as reimbursement for out-of-state travel
24 costs in conjunction with the examination of an insurance company or
25 with an activity to improve regulation of insurance companies are hereby
26 continuously appropriated to the division of insurance in addition to any
27 other funds appropriated for its normal operation.

1 **SECTION 4.** In Colorado Revised Statutes, 10-1-110, **amend** (1)
2 introductory portion and (2) as follows:

3 **10-1-110. Grounds and procedure for suspension or**
4 **revocation of certificate or license of entities.** (1) The certificate of
5 authority of an insurance company to do business in this state may be
6 revoked or suspended by the commissioner for any reason specified in
7 this title ~~article 7 of title 12~~, and article 14 of title 24, C.R.S. Specifically,
8 the certificate may be suspended or revoked by the commissioner for
9 reasons that include, but are not limited to:

10 (2) If the commissioner finds upon examination, hearing, or other
11 evidence that any foreign or domestic insurance company has committed
12 any of the acts specified in subsection (1) of this section, or any other act
13 specified in this title ~~article 7 of title 12~~, and article 14 of title 24, C.R.S.,
14 for which the penalty is suspension or revocation of the certificate of
15 authority, the commissioner may suspend or revoke such certificate of
16 authority, if he or she deems it in the best interest of the public and the
17 policyholders of the company, notwithstanding any other provision of
18 said references. Notice of any revocation shall be published in one or
19 more daily newspapers in Denver that have a general state circulation.
20 Before suspending or revoking any certificate of authority of an insurance
21 company, the commissioner shall grant the company fifteen days in which
22 to show cause why such action should not be taken. Any final decision of
23 the commissioner to suspend or revoke a certificate of authority or license
24 of any person or entity regulated by the division of insurance shall be
25 subject to judicial review by the court of appeals pursuant to section
26 24-4-106 (11), C.R.S.

27 **SECTION 5.** In Colorado Revised Statutes, **amend** 10-1-111 as

1 follows:

2 **10-1-111. Invoking aid of courts.** The commissioner, through the
3 attorney general, may invoke the aid of the courts through injunction or
4 other proper process, mandatory or otherwise, to enforce any proper order
5 made by the commissioner or action taken by the commissioner; but
6 nothing in this title (except article 15) ~~article 7 of title 12~~, and article 14
7 of title 24, C.R.S., shall be construed to prevent the company or person
8 affected by any order, ruling, proceeding, act, or action of the
9 commissioner, or any person acting on behalf and at instance of the
10 commissioner, from testing the validity of the same in any court of
11 competent jurisdiction, through injunction, appeal, or other proper
12 process or proceeding, mandatory or otherwise.

13 **SECTION 6.** In Colorado Revised Statutes, **amend** 10-1-112 as
14 follows:

15 **10-1-112. Policy conditions required by other states.** The
16 policies of a domestic insurance company, when issued or delivered in
17 any other state, territory, district, or country, may contain any provision
18 required by the laws of the state, territory, district, or country in which the
19 same are issued, anything in this title (except article 15) ~~article 7 of title~~
20 ~~12~~, and article 14 of title 24, C.R.S., to the contrary notwithstanding.

21 **SECTION 7.** In Colorado Revised Statutes, 10-1-211, **add** (6) as
22 follows:

23 **10-1-211. Protocols for market conduct actions.** (6) SUBJECT
24 TO SECTION 16-4-108 (1.5), A BAIL PREMIUM IS EARNED IN ITS ENTIRETY
25 BY A COMPENSATED SURETY UPON THE DEFENDANT'S RELEASE FROM
26 CUSTODY.

27 **SECTION 8.** In Colorado Revised Statutes, 10-2-301, **amend** (6)

1 (a) and (b) (c) as follows:

2 **10-2-301. Continuing education requirement - advisory**
3 **committee.** (6) (a) The commissioner shall be responsible for
4 administering the continuing insurance education requirements under this
5 article and the continuing education requirements under article 7 of title
6 12, C.R.S., and approving courses of instruction ~~which~~ THAT qualify for
7 such purposes. The commissioner shall promulgate such rules and
8 regulations as the commissioner deems necessary to administer such THE
9 continuing education requirements, including the provisions and
10 requirements of this section. The commissioner shall also promulgate
11 regulations RULES requiring that producers and bail bonding agents
12 licensed under article 7 of title 12, C.R.S., be required to provide to a
13 continuing education administrator proof of compliance with the
14 continuing education requirements as a condition of license renewal. For
15 persons licensed pursuant to section 10-11-116 (1) (c), compliance with
16 the continuing legal education credits requirements of the Colorado
17 supreme court shall be deemed to meet the requirements of this section.

18 (c) Each producer and bail bonding agent licensed under THIS
19 article 7 of title 12, C.R.S., shall be IS responsible for paying to the
20 continuing education administrator a reasonable biennial fee for the
21 operation of the continuing education programs, which fee shall be IS
22 used to administer the provisions of this section.

23 **SECTION 9.** In Colorado Revised Statutes, 10-4-407, **amend** (1)
24 introductory portion; and **repeal** (1) (f) as follows:

25 **10-2-407. License - definitions of lines of insurance - authority.**
26 (1) Unless A PERSON IS denied licensure pursuant to section 10-2-801, or
27 12-7-106, C.R.S., THE DIVISION SHALL ISSUE a person who has met the

1 requirements of sections 10-2-401 OR 10-2-404 ~~12-7-102, or 12-7-103,~~
2 ~~C.R.S., may be issued~~ an insurance producer license. An insurance
3 producer may receive qualification for a single license to include one or
4 more of the following lines of authority:

5 (f) ~~Bail bonding agent including a surety agent, as defined in~~
6 ~~section 12-7-101 (1), C.R.S., a cash bonding agent, as defined in section~~
7 ~~12-7-102 (1), C.R.S., and a professional cash bail agent, as defined in~~
8 ~~section 12-7-101 (7), C.R.S.;~~

9 **SECTION 10.** In Colorado Revised Statutes, 10-2-415.5, **amend**
10 (1), (2) (a), (2) (b) introductory portion, (2) (b) (I), and (3) as follows:

11 **10-2-415.5. Appointment of insurance producer - continuation**
12 **- renewal - exceptions.** (1) No insurance producer ~~with bail bonding~~
13 ~~agent authority as set forth in section 10-2-407 (1) (f)~~ shall claim to be a
14 representative or authorized or appointed agent of, or use any other term
15 implying a contractual relationship with, a particular ~~insurer~~ BAIL
16 INSURANCE COMPANY or accept applications on behalf of ~~such insurer~~ THE
17 BAIL INSURANCE COMPANY unless ~~such~~ THE insurance producer becomes
18 ~~pursuant to a~~ THROUGH A WRITTEN contract ~~in writing~~, a producer
19 appointee, appointed by that ~~insurer~~ BAIL INSURANCE COMPANY in
20 accordance with this section, to act in the capacity of an agent of the
21 ~~insurer~~ BAIL INSURANCE COMPANY.

22 (2) (a) ~~An insurer~~ A BAIL INSURANCE COMPANY shall notify the
23 commissioner of each INSURANCE producer ~~bail bonding agent~~
24 appointment. Each ~~insurer~~ BAIL INSURANCE COMPANY shall file with the
25 commissioner, monthly or at such other less frequent intervals as the
26 commissioner may prescribe, a current list of insurance producers that it
27 has appointed to solicit business on its behalf. The list shall contain all

1 relevant appointment information as prescribed by the commissioner,
2 including the effective date of appointment.

3 (b) Subject to renewal, each insurance producer ~~bail bonding~~
4 ~~agent~~ appointment shall remain in effect until:

5 (I) The insurance producer's license is allowed to expire,
6 discontinued, or cancelled by the insurance producer ~~bail bonding agent~~
7 or revoked by the commissioner; or

8 (3) Each active insurance producer ~~bail bonding agent~~
9 appointment shall be subject to renewal on October 1 of the renewal year.
10 The division shall provide a list of active insurance producer appointees
11 to the insurer BAIL INSURANCE COMPANY along with a renewal invoice
12 stating the fee required for the renewal of each active insurance producer
13 ~~bail bonding agent~~ appointment.

14 **SECTION 11.** In Colorado Revised Statutes, 10-2-415.7, **amend**
15 (2) as follows:

16 **10-2-415.7. Termination of insurance producer bail bonding**
17 **agent - notice - penalty.** (2) If the termination of an agent's appointment
18 is for any of the causes listed in section 10-1-128 OR 10-2-801, ~~12-7-106,~~
19 ~~or 12-7-109, C.R.S.,~~ the insurer shall notify the commissioner of the
20 reason and, if the commissioner so requests, the insurer shall provide any
21 information, records, statements, or other data pertaining to the
22 termination that may be used by the division in any action taken pursuant
23 to sections UNDER SECTION 10-2-801. and ~~12-7-106, C.R.S.~~

24 **SECTION 12.** In Colorado Revised Statutes, **add** 10-2-418 as
25 follows:

26 **10-2-418. Bail bonding authority.** (1) THE DIVISION SHALL
27 ADVISE STATE COURT ADMINISTRATORS THAT A PERSON MAY FURNISH A

1 BAIL BOND IF THE PERSON IS A LICENSED INSURANCE PRODUCER WITH A
2 POWER OF ATTORNEY FROM AN INSURANCE COMPANY, APPEARS ON THE
3 DIVISION'S WEB SITE AS AN ACTIVE INSURANCE PRODUCER WITH CASUALTY
4 AUTHORITY, AND IS APPOINTED BY THAT INSURANCE COMPANY.

5 (2) THE DIVISION SHALL ISSUE CREDENTIALS TO EACH INSURANCE
6 PRODUCER WHO IS APPOINTED BY A BAIL INSURANCE COMPANY THAT
7 CLEARLY IDENTIFIES THE PERSON AS HOLDING AUTHORITY TO ACT AS A
8 BAIL BOND AGENT.

9 **SECTION 13.** In Colorado Revised Statutes, 10-2-502, **amend**
10 (1) introductory portion as follows:

11 **10-2-502. Nonresident licensing - qualification.** (1) ~~Except for~~
12 ~~individuals or entities writing bail,~~ The commissioner may qualify an
13 applicant as a nonresident, unless the applicant is denied licensure
14 pursuant to section 10-2-801, and shall issue an insurance producer
15 license to any qualified nonresident person in accordance with the
16 following:

17 **SECTION 14.** In Colorado Revised Statutes, 10-2-702, **amend**
18 (2) as follows:

19 **10-2-702. Commissions.** (2) ~~Except for individuals or entities~~
20 ~~writing bail,~~ An insurer or insurance producer may pay or assign
21 commissions, service fees, brokerages, or other valuable consideration to
22 an insurance agency, business entity, or persons who do not sell, solicit,
23 or negotiate insurance in this state, unless the payment would violate
24 section 10-3-1104 (1) (g).

25 **SECTION 15.** In Colorado Revised Statutes, 10-2-801, **add** (1)
26 (q) as follows:

27 **10-2-801. Licenses - denial, suspension, revocation,**

1 **termination - reporting of actions - definitions.** (1) The commissioner
2 may place an insurance producer on probation; suspend, revoke, or refuse
3 to issue, continue, or renew an insurance producer license; order
4 restitution to be paid from an insurance producer; or assess a civil penalty
5 pursuant to section 10-2-804 or 10-3-1108, if, after notice to the insurance
6 producer licensee and after a hearing held in accordance with sections
7 24-4-104 and 24-4-105, C.R.S., the commissioner finds that as to the
8 licensee or applicant any one or more of the following conditions exist:

9 (q) PROFITING EITHER DIRECTLY OR INDIRECTLY FROM THE
10 BUSINESS OF A CASH-BONDING AGENT OR PROFESSIONAL CASH-BAIL AGENT
11 UNLESS THE PERSON PROFITING IS REGISTERED AS A CASH-BONDING AGENT
12 OR PROFESSIONAL CASH-BAIL AGENT AND THE PROFIT IS DERIVED FROM
13 THEIR OWN BUSINESS.

14 **SECTION 16.** In Colorado Revised Statutes, 10-3-101, **amend**
15 (2) as follows:

16 **10-3-101. Formation of insurance companies.** (2) When not
17 less than the amount required by section 10-3-201 has been paid in by the
18 incorporators and deposited with the commissioner, as provided for in
19 this title (except article 15) ~~article 7 of title 12~~, and article 14 of title 24,
20 C.R.S., the commissioner shall cause an examination to be made either by
21 the commissioner or some disinterested person especially appointed by
22 the commissioner for the purpose, who shall certify that said provisions
23 have been complied with by said company, as far as applicable thereto.
24 Such certificate shall be filed in the office of the commissioner, who shall
25 thereupon deliver to such company a certified copy thereof, which,
26 together with a copy of the articles of incorporation, shall be filed in the
27 office of the recorder of deeds of the county wherein the company is to

1 be located, before the authority to commence business is granted. Any
2 filings required to be made with the commissioner pursuant to this
3 subsection (2) may be in an electronic format.

4 **SECTION 17.** In Colorado Revised Statutes, **amend** 10-3-103 as
5 follows:

6 **10-3-103. Names of companies.** No domestic insurance company
7 shall adopt the name of any existing company transacting a similar
8 business nor any name so similar as to be calculated to mislead the public,
9 but any domestic mutual or mutual assessment insurance company, upon
10 complying with the terms and conditions of this title (except article 15),
11 ~~article 7 of title 12~~, and article 14 of title 24, C.R.S., may be reorganized
12 and reincorporated as a joint stock company under the same name by
13 which it was incorporated as a mutual or assessment company, with the
14 omission of the word "mutual", and it is unlawful for any other company
15 to be incorporated or transact business under or by the name under which
16 any such mutual or mutual assessment company was operating at the time
17 of reincorporation.

18 **SECTION 18.** In Colorado Revised Statutes, **amend** 10-3-104 as
19 follows:

20 **10-3-104. Unauthorized companies - penalties.** Except for
21 reinsurance by an authorized insurer or insurance effected pursuant to the
22 provisions of article 5 or article 15 of this title, it is unlawful for any
23 person, company, or corporation in this state to procure, receive, or
24 forward applications for insurance in, or to issue or to deliver policies for,
25 any company not legally authorized to do business in this state, as
26 provided in this title ~~article 7 of title 12~~, and article 14 of title 24, C.R.S.
27 Any person violating the provisions of this section commits a class 1

1 misdemeanor and shall be punished as provided in section 18-1.3-501,
2 C.R.S.

3 **SECTION 19.** In Colorado Revised Statutes, **amend** 10-3-108 as
4 follows:

5 **10-3-108. File duly certified copy of charter.** Except pursuant
6 to the provisions of article 5 of this title, no foreign insurance company
7 shall transact any business in this state unless it first files in the office of
8 the commissioner a duly certified copy of its charter, articles of
9 incorporation, or deed of settlement, together with a statement, under
10 oath, of the president and secretary, or other chief officers of such
11 company, showing the condition of affairs of such company on the
12 thirty-first day of December next preceding the date of such oath. The
13 statement shall be in the same form and shall set forth the same
14 particulars as the annual statement required by this title (except article 15)
15 ~~article 7 of title 12~~, and article 14 of title 24, C.R.S. After filing its
16 articles of incorporation or charter with the secretary of state, no
17 insurance company shall be required to file its annual report or any other
18 instrument, except amendments to said articles of incorporation or
19 charter, in the office of the secretary of state or to pay to the secretary of
20 state an annual corporation tax. The filings required pursuant to this
21 section may be made in an electronic format.

22 **SECTION 20.** In Colorado Revised Statutes, **amend** 10-3-111 as
23 follows:

24 **10-3-111. Violations - penalty.** Except for violations of section
25 10-3-104 or article 15 of this title, any officer, director, stockholder,
26 attorney, or agent of any corporation or association who violates any of
27 the provisions of this title ~~article 7 of title 12~~, and article 14 of title 24,

1 C.R.S., who participates in or aids, abets, or advises or consents to any
2 such violation, and any person who solicits or knowingly receives any
3 money or property in violation of said references, is guilty of a
4 misdemeanor and, upon conviction thereof, shall be punished by
5 imprisonment in the county jail for not more than one year and by a fine
6 of not more than one thousand dollars, and any officer aiding or abetting
7 in any contribution made in violation of said references is liable to the
8 company or association for the amount so contributed. No person shall be
9 excused from attending and testifying or producing any books, papers, or
10 other documents, before any court, upon any investigation, proceeding,
11 or trial, for a violation of any of the provisions of said references upon the
12 ground or for the reason that the testimony or evidence, documentary or
13 otherwise, required of such person may tend to incriminate or degrade
14 him or her; but no person shall be prosecuted or subjected to any penalty
15 or forfeiture for or on account of any transaction, matter, or thing
16 concerning which he or she may so testify or produce evidence,
17 documentary or otherwise, and no testimony so given or produced shall
18 be used against him or her upon any criminal investigation or proceeding.

19 **SECTION 21.** In Colorado Revised Statutes, 10-3-113, **amend**
20 (2) as follows:

21 **10-3-113. Increase of capital.** (2) The provisions of this title
22 (except article 15) ~~article 7 of title 12~~, and article 14 of title 24, C.R.S.,
23 ~~shall~~ also apply in the formation and authorization of domestic insurance
24 companies formed upon the mutual plan, and to associations formed upon
25 the assessment plan, that are organized with a guaranty fund in lieu of
26 capital as provided in said references.

27 **SECTION 22.** In Colorado Revised Statutes, 10-3-123, **amend**

1 (2), (5), and (7) as follows:

2 **10-3-123. Assessment accident associations.** (2) Twenty-five or
3 more persons who are citizens of this state may form a corporation to
4 carry on the business of casualty insurance on the assessment plan, but no
5 such corporation shall begin to do business until a guaranty fund of at
6 least ten thousand dollars is provided and deposited, in cash or in such
7 securities as are permitted by law in the case of stock companies, with the
8 commissioner under the conditions named in this title (except article 15)
9 ~~article 7 of title 12,~~ and article 14 of title 24, C.R.S. When this is done
10 and at least two hundred persons have subscribed in writing to be insured,
11 and when each has paid in at least one monthly assessment or premium,
12 the commissioner, if the laws have been complied with, shall issue a
13 certificate of authority for such corporation, which authorizes it to
14 commence business. The word "association" shall be used in the title or
15 name of all corporations organized under this section instead of the word
16 "company".

17 (5) Any corporation organized under the authority of any other
18 state or government to issue policies or certificates of casualty insurance
19 on the assessment plan, as a condition precedent to transacting business
20 in this state, shall pay such fees and comply with the same requirements
21 as exacted of stock casualty insurance companies of other states or
22 countries, as provided by this title (except article 15) ~~article 7 of title 12,~~
23 and article 14 of title 24, C.R.S., and thereafter be subject to the same
24 general laws and penalties of this title, unless otherwise provided in this
25 section, and it shall deposit with the commissioner or with the proper
26 official of some other state, for the protection of all its policyholders, a
27 sum not less than that required to be deposited by domestic casualty

1 insurance companies organized upon the mutual assessment plan. Such
2 corporation shall also file with the commissioner a copy of its policies or
3 certificates and applications therefor, for approval by the commissioner,
4 and a sworn statement from the proper officers of such corporation that
5 they have received a copy of this section, and shall be governed thereby
6 in issuing policies or certificates in this state. The commissioner may
7 thereupon issue or renew the authority of such corporation to do business
8 in this state.

9 (7) Any corporation doing a casualty insurance business in this
10 state on April 15, 1913, that is incorporated to do business on the
11 assessment plan may reincorporate under the provisions of this title
12 (except article 15) ~~article 7 of title 12~~, and article 14 of title 24, C.R.S.,
13 but nothing in said references shall be construed as requiring any such
14 corporation to reincorporate, and any such corporation may continue to
15 exercise all rights, powers, and privileges conferred by said references,
16 or its articles of incorporation not inconsistent ~~herewith~~ WITH THIS
17 SUBSECTION (7).

18 **SECTION 23.** In Colorado Revised Statutes, 10-3-201, **amend**
19 (2) as follows:

20 **10-3-201. Cash capital - guaranty fund - deposit.** (2) The cash
21 or securities representing the minimum capital or guaranty fund and
22 surplus required by paragraph (a) of subsection (1) of this section shall be
23 deposited, in the case of domestic companies, with the commissioner in
24 the manner provided by law and, in the case of foreign or alien
25 companies, with the commissioner or with the duly authorized officer of
26 some other state of the United States; except that the guaranty fund of
27 mutual companies shall be construed to include deposits held for the

1 benefit of policyholders as provided in this title (except article 15) ~~article~~
2 ~~7 of title 12, C.R.S.~~, and article 14 of title 24, C.R.S.

3 **SECTION 24.** In Colorado Revised Statutes, 10-3-206, **amend**
4 (1) as follows:

5 **10-3-206. Security deposits - certificates.** (1) The commissioner
6 shall receive and hold on deposit, in the manner provided in this law, the
7 securities of domestic companies that are deposited by any such company
8 under the provisions of this title (except article 15) ~~article 7 of title 12,~~
9 and article 14 of title 24, C.R.S., for the purpose of securing policyholders
10 or to comply with any similar law of another state to enable ~~such~~ THE
11 company to transact business in such state. All securities so offered for
12 deposit shall belong to and be the sole property of such company and
13 shall be free and clear of any claims whatsoever, and the commissioner
14 shall determine the same by proper inquiry.

15 **SECTION 25.** In Colorado Revised Statutes, 10-3-208, **amend**
16 (1) as follows:

17 **10-3-208. Financial statements.** (1) All insurance companies
18 doing business in this state, unless otherwise provided in this title (except
19 article 15) ~~article 7 of title 12,~~ and article 14 of title 24, C.R.S., shall
20 make and file with the commissioner annually, on or before the first day
21 of March in each year, a statement under oath, upon a form to be
22 prescribed by the commissioner, stating the amount of all premiums
23 collected or contracted for in this state or from residents thereof, in cash
24 or notes, by the company making such statement during the year ending
25 the last day of December next preceding; the amounts actually paid
26 policyholders on losses and the amounts paid policyholders as returned
27 premiums by property and casualty insurance companies; the amount of

1 insurance reinsured in other companies authorized to do business in this
2 state and the amount of premiums paid therefor; the amount of insurance
3 reinsured in companies, naming them, not authorized to do business in
4 this state and the amount of premiums paid therefor; and the amount of
5 reinsurance accepted from admitted companies and the premiums
6 received from such reinsurance on residents of this state or risks located
7 in this state, with the name of the companies so reinsured. The annual
8 statement made to the commissioner pursuant to this section or other
9 provisions of said references shall at least include the substance of that
10 which is required by what is known as the convention blank form adopted
11 from year to year by the national association of insurance commissioners,
12 including any instructions, procedures, and guidelines not in conflict with
13 any provision of this title for completing the convention blank form.

14 **SECTION 26.** In Colorado Revised Statutes, 10-3-209, **amend**
15 (1) (c) as follows:

16 **10-3-209. Tax on premiums collected - exemptions - penalties.**

17 (1) (c) The taxes prescribed in paragraph (b) of this subsection (1) shall
18 constitute all taxes collectible under the laws of this state against any such
19 insurance companies, and no other occupation tax or other taxes shall be
20 levied or collected from any insurance company by any county, city, or
21 town within this state; but this title (except article 15) ~~article 7 of title 12,~~
22 and article 14 of title 24, C.R.S., shall not be construed to prohibit the
23 levy and collection of state, county, school, and municipal taxes upon the
24 real and personal property of such companies, nor shall it include or
25 prohibit the levy and collection of a tax to be paid on net workers'
26 compensation premiums, as provided under the "Colorado Medical
27 Disaster Insurance Fund Act", part 3 of article 46 of title 8, C.R.S.

1 **SECTION 27.** In Colorado Revised Statutes, 10-3-213, **amend**
2 (1) as follows:

3 **10-3-213. Investments eligible as admitted assets.** (1) Domestic
4 insurance companies may invest their funds in the categories of assets
5 described in sections 10-3-215 to 10-3-230 and 10-3-242. Every such
6 investment shall be an admitted asset of the company; except that, if the
7 section describing a category of asset contains a quantitative limitation,
8 an investment in that category of asset shall be an admitted asset under
9 that section to the extent that it does not exceed such limitation. Any such
10 limitation shall apply only with respect to the category of assets described
11 in that section and shall not constitute a general prohibition and shall not
12 be applicable to any other section. Except as provided in section
13 10-3-237, any investment, or part thereof, that does not qualify under any
14 of said sections shall not be an admitted asset under the provisions of this
15 part 2. Except as specifically provided in this title (except article 15)
16 ~~article 7 of title 12~~; and article 14 of title 24, C.R.S., a domestic insurance
17 company shall not be prohibited from acquiring or holding an asset that
18 is not an admitted asset, and such company may lend, pledge, sell,
19 transfer, assign, hypothecate, dispose of, or exchange any asset acquired
20 by it.

21 **SECTION 28.** In Colorado Revised Statutes, **amend** 10-3-214 as
22 follows:

23 **10-3-214. Quantitative investment limitations - manner of**
24 **applying.** In applying the investment limitations set forth in this part 2,
25 which are expressed as percentages of a company's admitted assets, there
26 shall be used as a base the total of all assets of the company that would be
27 admitted under this title (except article 15) ~~article 7 of title 12~~; and article

1 14 of title 24, C.R.S., without regard to such limitations and without
2 regard to any condition or restriction set forth in section 10-3-237 (2), and
3 asset values will be those values determined at the current annual
4 statement date or, in case of any statement or examination as of a date
5 other than an annual statement date, those values determined at such other
6 date. In applying any investment limitation set forth in this part 2, which
7 is expressed as a percentage of a company's surplus, the amount of the
8 company's surplus shall be that determined at the current annual statement
9 date or, in the case of any statement or examination as of a date other than
10 an annual statement date, the amount determined at such other date.

11 **SECTION 29.** In Colorado Revised Statutes, 10-3-230, **amend**
12 (1) introductory portion as follows:

13 **10-3-230. Additional investments.** (1) Domestic insurance
14 companies may invest in any additional investments, except items
15 specifically defined as nonadmitted assets in this title (except article 15)
16 ~~article 7 of title 12~~; and article 14 of title 24, C.R.S., without regard to any
17 limitation, condition, restriction, or exclusion set forth in sections
18 10-3-215 to 10-3-229 and 10-3-242, and regardless of whether the same
19 or a similar type of investment has been included in or omitted from any
20 such section, subject to the following provisions:

21 **SECTION 30.** In Colorado Revised Statutes, 10-3-235, **amend**
22 (2) and (4) as follows:

23 **10-3-235. Certain admitted assets deemed securities for**
24 **deposit purposes.** (2) For purposes of optional reserve deposits
25 permitted by section 10-7-101 (3) or other deposits permitted but not
26 required by this title (except article 15) ~~article 7 of title 12~~; and article 14
27 of title 24, C.R.S., the following admitted assets, in addition to those

1 referred to in subsection (1) of this section, shall be deemed to be
2 securities eligible for such deposits: Any asset qualified as an admitted
3 asset under section 10-3-220 or 10-3-226 to 10-3-228, and any life
4 insurance policy, to the extent of the company's interest in the cash value
5 thereof.

6 (4) For purposes of all deposits required or permitted by this title
7 (except article 15) ~~article 7 of title 12~~, and article 14 of title 24, C.R.S.,
8 assets shall be valued at their fair market value; except that, for purposes
9 of optional reserve deposits permitted by section 10-7-101 (3), or other
10 deposits permitted but not required by said references, bonds and
11 mortgages shall be valued at their current book values under the methods
12 used in determining admitted asset values for annual statement purposes.

13 **SECTION 31.** In Colorado Revised Statutes, **amend** 10-3-236 as
14 follows:

15 **10-3-236. Assets acquired through merger, consolidation, or**
16 **reinsurance.** Any investments acquired after May 31, 1969, through
17 merger, consolidation, or reinsurance that are not admitted assets under
18 this title (except article 15) ~~article 7 of title 12~~, and article 14 of title 24,
19 C.R.S., shall not be deemed admitted assets by reason of their acquisition
20 through merger, consolidation, or reinsurance.

21 **SECTION 32.** In Colorado Revised Statutes, 10-3-237, **amend**
22 (2) as follows:

23 **10-3-237. Assets acquired under prior law.**

24 (2) Notwithstanding any other provision of this title (except article 15)
25 ~~article 7 of title 12~~, and article 14 of title 24, C.R.S., any asset held by a
26 company on May 31, 1969, that is not an admitted asset under section
27 10-1-102 (2) or subsection (1) of this section and that did not meet the

1 requirements of the law in effect immediately prior to such date for an
2 investment of the company's reserves, paid-up capital stock, and other
3 liabilities but which, under such law, would have been taken into account
4 as an asset in determining the surplus of the company shall be taken into
5 account as an admitted asset at all times at which the company has
6 aggregate admitted assets under section 10-1-102 (2) and subsection (1)
7 of this section in an amount at least equal to the total of its reserves,
8 paid-up capital stock, and all other liabilities.

9 **SECTION 33.** In Colorado Revised Statutes, **amend** 10-3-238 as
10 follows:

11 **10-3-238. Refunds.** Whenever it appears to the satisfaction of the
12 commissioner that, because of some mistake of fact, error in calculation,
13 or erroneous interpretation of a statute of this or any other state, any
14 insurer or other person engaged in the business of insurance in this state
15 has paid to the commissioner or to the state of Colorado, pursuant to any
16 provision of this title (except article 15) ~~article 7 of title 12,~~ and article 14
17 of title 24, C.R.S., any taxes, fees, or other charges in excess of the
18 amount legally chargeable against said insurer or other person during the
19 one-year period immediately preceding the discovery of such
20 overpayment, the commissioner has the authority to refund to such insurer
21 or other person the amount of such excess by applying the amount thereof
22 toward the payment of taxes, fees, or other charges already due, or that
23 may thereafter become due, from such insurer or other person until such
24 excess has been fully refunded; or, at the commissioner's discretion, the
25 commissioner may make a cash refund thereof.

26 **SECTION 34.** In Colorado Revised Statutes, 10-3-903, **amend**
27 (1) introductory portion; and **add** (1) (j), (1) (k), and (2) (l) as follows:

1 **10-3-903. Definition of transacting insurance business.** (1) Any
2 of the following acts in this state, effected by mail or otherwise, by an
3 unauthorized insurer constitute transacting insurance business in this state
4 as ~~such~~ THE term is used in section 10-3-105:

5 (j) FUNDING, EITHER DIRECTLY OR INDIRECTLY, THE CASH
6 QUALIFICATION BOND OF A CASH-BONDING AGENT OR PROFESSIONAL
7 CASH-BAIL AGENT WHEN THE MEANS DO NOT CONSTITUTE AN
8 ARM'S-LENGTH TRANSACTION UNDER REASONABLE COMMERCIAL
9 STANDARDS OR WHERE THE AGREEMENT TO REPAY IS CONTINGENT ON THE
10 VOLUME OR VALUE OF THE BONDS POSTED.

11 (k) EXCEPT FOR PAYMENTS FROM THE DEFENDANT OR A
12 THIRD-PARTY INDEMNITOR WHO APPLIED FOR THE BOND, PAYING, EITHER
13 DIRECTLY OR INDIRECTLY, FOR THE FORFEITURE OF A BAIL BOND POSTED
14 BY A CASH-BONDING AGENT OR PROFESSIONAL CASH-BAIL AGENT WHEN
15 THE PAYMENT IS MADE BY A PERSON OTHER THAN THE CASH-BONDING
16 AGENT OR PROFESSIONAL CASH-BAIL AGENT THAT POSTED THE BAIL BOND.

17 (2) The provisions of this section do not apply to:

18 (1) A PERSON LICENSED AS A CASH-BONDING AGENT OR
19 PROFESSIONAL CASH-BAIL AGENT UNDER ARTICLE 7 OF TITLE 12, C.R.S.,
20 UNLESS THE PERSON ENGAGES IN CONDUCT DESCRIBED IN SUBSECTION (1)
21 OF THIS SECTION.

22 **SECTION 35.** In Colorado Revised Statutes, 10-3-1104, **add** (1)
23 (mm) as follows:

24 **10-3-1104. Unfair methods of competition - unfair or deceptive**
25 **acts or practices.** (1) The following are defined as unfair methods of
26 competition and unfair or deceptive acts or practices in the business of
27 insurance:

1 (mm) PAYING A FEE OR REBATE OR GIVING OR PROMISING
2 ANYTHING OF VALUE TO A JAILER, PEACE OFFICER, CLERK, DEPUTY CLERK,
3 AN EMPLOYEE OF A COURT, DISTRICT ATTORNEY OR DISTRICT ATTORNEY'S
4 EMPLOYEES, OR A PERSON WHO HAS POWER TO ARREST OR TO HOLD A
5 PERSON IN CUSTODY AS A RESULT OF WRITING A BAIL BOND.

6 **SECTION 36.** In Colorado Revised Statutes, 10-12-105, **amend**
7 (1) as follows:

8 **10-12-105. Guaranty fund of mutual companies.** (1) Guaranty
9 fund certificates may be issued to provide a guaranty fund for domestic
10 life and fire insurance companies incorporated upon the mutual plan and
11 for domestic casualty insurance associations incorporated upon the
12 assessment plan, such fund to be held as security for the payment of all
13 losses and other policy liabilities of such companies. Guaranty fund
14 certificates may draw interest or dividends not exceeding in the aggregate
15 eight percent per annum, which shall only be paid from the profits of the
16 company. The certificates may only be retired or redeemed by using the
17 profits of the company for that purpose, but the full fund as required of
18 each kind of mutual and assessment company by this title (except article
19 15), ~~article 7 of title 12,~~ and article 14 of title 24, C.R.S., shall at all times
20 be maintained. Such guaranty fund shall be a liability until redeemed or
21 retired. It shall only be used to pay policy claims or liabilities when the
22 contingent mutual liability of the policyholders has been drawn upon and
23 found insufficient to meet the losses of policy claims or when the
24 directors for any cause fail to provide for the payment of policy claims.

25 **SECTION 37.** In Colorado Revised Statutes, **amend** 10-12-106
26 as follows:

27 **10-12-106. Fees of mutual companies.** Mutual and assessment

1 companies, unless otherwise specified in this title (except article 15),
2 ~~article 7 of title 12~~, and article 14 of title 24, C.R.S., are required to pay
3 the same fees and be under the same supervision and authority of the
4 commissioner as companies that are engaged in the same kind of
5 insurance business and that are organized upon the joint-stock plan, and
6 they shall comply with the general laws of this title, unless otherwise
7 specified, and be subject to the penalties provided therein.

8 **SECTION 38.** In Colorado Revised Statutes, **repeal** article 7 of
9 title 12.

10 **SECTION 39.** In Colorado Revised Statutes, **add with amended**
11 **and relocated provisions** article 23 to title 10 as follows:

12 **ARTICLE 23**

13 **Cash Bonding Agents**

14 **10-23-101. [Formerly 12-7-101] Definitions.** As used in this
15 article, unless the context otherwise requires:

16 (1) ~~"Bail bonding agent" or "bonding agent" means any person~~
17 ~~who furnishes bail for compensation in any court or courts in this state~~
18 ~~and who is appointed by an insurer by power of attorney to execute or~~
19 ~~countersign bail bonds in connection with judicial proceedings and who~~
20 ~~is other than a full-time salaried officer or employee of an insurer or a~~
21 ~~person who pledges United States currency, a United States postal money~~
22 ~~order, a cashier's check, or other property as security for a bail bond in~~
23 ~~connection with a judicial proceeding, whether for compensation or~~
24 ~~otherwise.~~

25 (1.3) ~~"Bail insurance company" means an insurer as defined in~~
26 ~~section 10-1-102 (13), C.R.S., engaged in the business of writing bail~~
27 ~~appearance bonds through bonding agents which company is subject to~~

1 regulation by the division of insurance in the department of regulatory
2 agencies.

3 (1.5) "Bail recovery" means actions taken by a person other than
4 a peace officer to apprehend an individual or take an individual into
5 custody because of the failure of such individual to comply with bail bond
6 requirements.

7 (2) (Deleted by amendment, L. 96, p. 1177, § 1, effective June 1,
8 1996.) (1) "CASH-BONDING AGENT" MEANS A PERSON WHO WAS LICENSED
9 BY THE DIVISION AS OF JANUARY 1, 1992, TO WRITE BAIL BONDS AS A
10 CASH-BONDING AGENT.

11 (2.5) "Compensated surety" means any person in the business of
12 writing bail appearance bonds who is subject to regulation by the
13 Colorado division of insurance, including bonding agents and bail
14 insurance companies. Nothing in this subsection (2.5) shall be construed
15 to authorize bail insurance companies to write bail bonds except through
16 licensed bail bonding agents.

17 (3) "Division" means the division of insurance.

18 (4) (Deleted by amendment, L. 96, p. 1177, § 1, effective June 1,
19 1996.)

20 (5) Repealed.

21 (6) (2) "On the board" means that the name of a compensated
22 surety THE PERSON has been publicly posted or disseminated by a court as
23 being ineligible to write bail bonds pursuant to UNDER section 16-4-112
24 (5) (e) or (5) (f), C.R.S.

25 (7) (3) "Professional cash-bail agent" means a person who is an
26 authorized FURNISHES bail bond agent who furnishes bail for
27 compensation in any court or courts in this state in connection with

1 ~~judicial proceedings and who is not a~~ BY POSTING A BOND WITH THE
2 DIVISION. "PROFESSIONAL CASH-BAIL AGENT" DOES NOT MEAN A full-time
3 salaried officer or employee of an insurer nor a person who pledges
4 United States currency, a United States postal money order, a cashier's
5 check, or other property in connection with a judicial proceeding, whether
6 for compensation or otherwise.

7 **10-23-102. [Formerly 12-7-102] Registration required -**
8 **qualifications - enforcement.** (1) No person ~~can qualify~~ QUALIFIES to be
9 a ~~bail bonding agent unless such person is a licensed insurance producer~~
10 ~~appointed to represent an insurance company or is a licensed,~~ professional
11 cash-bail agent ~~under article 2 of title 10, C.R.S.~~ UNLESS THE PERSON
12 REGISTERS WITH THE DIVISION. However, any bail bonding agent who was
13 licensed by the division as of January 1, 1992, to write bail bonds as a
14 cash-bonding agent ~~shall be permitted to~~ MAY continue such licensure TO
15 BE REGISTERED upon compliance with the other requirements of this
16 article.

17 (2) No firm, partnership, association, or corporation, as such, shall
18 be ~~licensed~~ REGISTERED. No person engaged as a law enforcement or
19 judicial officer shall be ~~licensed~~ REGISTERED as a ~~bonding agent~~
20 CASH-BONDING AGENT OR PROFESSIONAL CASH-BAIL AGENT.

21 (a) and (b) ~~(Deleted by amendment, L. 96, p. 1178, § 2, effective~~
22 ~~June 1, 1996.)~~

23 (c) to (e) ~~(Deleted by amendment, L. 95, p. 280, § 2, effective July~~
24 ~~1, 1995.)~~

25 (3) (a) ~~The division is vested with the authority to enforce the~~
26 ~~provisions of this article. The division shall have authority to make~~
27 ~~investigations and promulgate such rules and regulations as may be~~

1 ~~necessary for the enforcement of this article.~~ ALL REGISTRATIONS EXPIRE
2 IN ACCORDANCE WITH A SCHEDULE ESTABLISHED BY THE COMMISSIONER,
3 AND THE REGISTRANT SHALL RENEW OR REINSTATE THE REGISTRATION IN
4 ACCORDANCE WITH THE RULES OF THE COMMISSIONER. IF THE
5 COMMISSIONER SCHEDULES A REGISTRATION TO EXPIRE FOR LONGER OR
6 SHORTER THAN A YEAR, THE FEE FOR THE COMMISSIONER SHALL
7 PROPORTIONALLY ADJUST THE RENEWAL FEE FOR THE REGISTRATION. THE
8 REGISTRANT MUST SATISFY ALL REGISTRATION AND RENEWAL
9 REQUIREMENTS TO QUALIFY TO REGISTER.

10 (b) THE COMMISSIONER SHALL GIVE A REGISTRANT A SIXTY-DAY
11 GRACE PERIOD TO RENEW THE REGISTRATION WITHOUT DISCIPLINE OR
12 SANCTIONS. THE COMMISSIONER MAY ESTABLISH RENEWAL FEES AND
13 DELINQUENCY FEES FOR REINSTATEMENT BY RULE. IF A PERSON FAILS TO
14 RENEW A REGISTRATION WHEN REQUIRED BY THE SCHEDULE ESTABLISHED
15 BY THE COMMISSIONER, THE REGISTRATION EXPIRES.

16 (4) ~~Each licensee's license shall expire biennially on January 1~~
17 ~~unless revoked or suspended prior thereto by the division or upon notice~~
18 ~~served upon the commissioner by the insurer or the employer or user of~~
19 ~~any license that such insurer, employer, or user has cancelled the~~
20 ~~licensee's authority to act for or in behalf of such insurer, employer, or~~
21 ~~user.~~ THE DIVISION SHALL TRANSMIT ALL FEES COLLECTED UNDER THIS
22 ARTICLE TO THE STATE TREASURER, WHO SHALL CREDIT THE FEES TO THE
23 DIVISION OF INSURANCE CASH FUND CREATED IN SECTION 10-1-103.

24 (5) The division shall prepare and deliver to each licensee
25 REGISTRANT a pocket card showing the name, address, and classification
26 of such licensee ~~Such~~ THE REGISTRANT. THE pocket card ~~shall~~ MUST
27 clearly state that ~~such~~ THE person is a ~~licensed bonding agent~~

1 AUTHORIZED TO PRACTICE AS A CASH-BONDING AGENT OR PROFESSIONAL
2 CASH-BAIL AGENT.

3 ~~(6) The division shall notify each bail bonding agent in writing on~~
4 ~~an annual basis regarding changes to the state laws regarding the~~
5 ~~regulation of bail bonding agents.~~

6 **10-23-103. [Formerly 12-7-103] Registration requirements -**
7 **application - qualification bond - forfeiture.** (1) ~~Any person desiring~~
8 ~~to engage in the business of bail bonding agent in this state~~ AN APPLICANT
9 FOR REGISTRATION AS A PROFESSIONAL CASH-BAIL AGENT shall supply the
10 following information to the division:

11 ~~(a) (Deleted by amendment, L. 96, p. 1179, § 4, effective June 1,~~
12 ~~1996.)~~

13 ~~(b) Repealed.~~

14 ~~(c) (a) Whether the applicant DURING THE LAST TEN YEARS has~~
15 ~~been convicted of a felony, entered a guilty plea to a felony, accepted a~~
16 ~~plea of nolo contendere to a felony, or engaged in or committed an act~~
17 ~~described in section 12-7-106 (1) during the previous ten years THAT~~
18 ~~VIOLATES THIS ARTICLE, A RULE PROMULGATED UNDER THIS ARTICLE, OR~~
19 ~~ANY ACT THAT WOULD VIOLATE THIS ARTICLE OR A RULE PROMULGATED~~
20 ~~UNDER THIS ARTICLE IF IT HAD BEEN COMMITTED IN COLORADO; AND~~

21 ~~(d) (b) Such ANY other information as may be required by this~~
22 ~~article or by the division, including but not limited to a full-face~~
23 ~~photograph, In addition, each FOR WHICH THE applicant shall pay the~~
24 ~~actual costs associated with obtaining any IF A photograph that may be IS~~
25 ~~required.~~

26 ~~(e) and (f) Repealed.~~

27 ~~(1.5) (a) (2) Prior to submission of an application UNDER THIS~~

1 ARTICLE, each applicant shall have his or her fingerprints taken by a local
2 law enforcement agency for the purpose of obtaining TO OBTAIN a
3 fingerprint-based criminal history record check. The applicant is required
4 to submit payment by certified check or money order for the fingerprints
5 and for the actual costs of said THE record check at the time WHEN the
6 fingerprints are submitted to the Colorado bureau of investigation. Upon
7 receipt of fingerprints and receipt of the payment for costs, the Colorado
8 bureau of investigation shall conduct a state and national
9 fingerprint-based criminal history record check utilizing records of the
10 Colorado bureau of investigation and the federal bureau of investigation.

11 (b) For purposes of this subsection (1.5), "applicant" shall include
12 any:

13 (I) ~~Bail bonding agent, as defined in section 12-7-101 (1);~~

14 (II) ~~Professional cash bail agent, as defined in section 12-7-101~~
15 ~~(7); and~~

16 (III) ~~Bail bonding agent licensed to write bail bonds as a cash~~
17 ~~bonding agent, as described in section 12-7-102 (1).~~

18 (2) ~~(Deleted by amendment, L. 96, p. 1179, § 4, effective June 1,~~
19 ~~1996.)~~

20 (3) (a) ~~Each applicant who is to be authorized as a cash bonding~~
21 ~~agent pursuant to section 12-7-102 (1) shall be required to post a~~
22 ~~qualification bond in the amount of fifty thousand dollars with the~~
23 ~~division. The bond shall be to the people of the state of Colorado in favor~~
24 ~~of any court in this state, whether municipal, county, district, or other~~
25 ~~court. Any qualification bond for a cash bail bonding agent shall also be~~
26 ~~to the commissioner and the division to fulfill the purposes of this section.~~
27 ~~In the event of a forfeiture of a cash bonding agent's qualification bond,~~

1 the division shall have priority over all other claimants to such bond. Such
2 bond shall be conditioned upon full and prompt payment into the court
3 ordering such bond forfeited. Bail bonding agents authorized as cash
4 bonding agents pursuant to section 12-7-102 (1) may only issue bonds in
5 accordance with the provisions of section 16-4-104 (1) (b) (III), C.R.S.
6 In the event of a qualification bond forfeiture, a cash bonding agent shall
7 be prohibited from writing new bail bonds until the qualification bond is
8 restored to fifty thousand dollars.

9 (b) If the name of a cash bonding agent is placed on the board
10 pursuant to section 16-4-112 (5) (e), C.R.S., and remains on the board for
11 the same forfeiture for more than thirty consecutive days, the court that
12 placed the name of the cash bonding agent on the board shall order the
13 division to declare the qualification bond of such cash bonding agent to
14 be forfeited after a hearing as provided in section 12-7-106 (2). The
15 division shall then order the cash bonding agent on the qualification bond
16 to deposit with the court an amount equal to the amount of the bond
17 issued by such cash bonding agent and declared forfeited by the court or
18 the amount of the qualification bond, whichever is the smaller amount.
19 The division shall suspend the license of such cash bonding agent until
20 such time as all forfeitures and judgments ordered and entered against the
21 cash bonding agent have been certified as paid or vacated by order of a
22 court of record and another qualification bond in the required amount is
23 posted with the division.

24 (c) If the name of a bail bonding agent, other than a cash bonding
25 agent, is placed on the board pursuant to section 16-4-112 (5) (e), C.R.S.,
26 and remains on the board for the same forfeiture for more than forty-five
27 consecutive days, the court that placed the name of the bail bonding agent

1 on the board shall order the division to suspend the license of said bail
2 bonding agent, after hearing pursuant to section 10-2-801, C.R.S., until
3 such time as all forfeitures and judgments ordered and entered against
4 said bail bonding agent have been certified as paid or vacated by order of
5 a court of record. If the bail forfeiture judgment is not paid within fifteen
6 days after the name of a bail insurance company has been placed on the
7 board pursuant to section 16-4-112 (5) (f), C.R.S., the division shall also
8 order the bail insurance company on the bond to pay the judgment after
9 notice and hearing pursuant to sections 24-4-104 and 24-4-105, C.R.S.

10 (4) to (7) (Deleted by amendment, L. 96, p. 1179, § 4, effective
11 June 1, 1996.)

12 (8) (a) Each applicant who is to be authorized as a professional
13 cash bail agent pursuant to section 12-7-102 (1) shall be required to post
14 a qualification bond in the amount of no less than fifty thousand dollars
15 with the division. The bond shall be to the people of the state of Colorado
16 in favor of any court in this state, whether municipal, county, district, or
17 other court. Any qualification bond for a professional cash bail agent shall
18 also be to the commissioner and the division to fulfill the purposes of this
19 section. A professional cash bail agent shall not furnish a single bail
20 greater than twice the amount of the bond posted with the division. In the
21 event of a forfeiture of a professional cash bail agent's qualification bond,
22 the division shall have priority over all other claimants to such bond. Such
23 bond shall be conditioned upon full and prompt payment into the court
24 ordering such bond forfeited. Bail bonding agents authorized as
25 professional cash bail agents pursuant to section 12-7-102 (1) may only
26 issue bonds in accordance with the provisions of section 16-4-104 (1) (b)
27 (III), C.R.S. In the event of a qualification bond forfeiture, a professional

1 cash bail agent shall be prohibited from writing new bail bonds until the
2 qualification bond is restored to at least fifty thousand dollars.

3 (b) If the name of a professional cash bail agent is placed on the
4 board pursuant to section 16-4-112 (5) (e), C.R.S., and remains on the
5 board for the same forfeiture for more than thirty consecutive days, the
6 court that placed the name of the professional cash bonding agent on the
7 board shall order the division to declare the qualification bond of such
8 professional cash bail agent to be forfeited after a hearing as provided in
9 section 12-7-106 (2). The division shall then order the professional cash
10 bail agent on the qualification bond to deposit with the court an amount
11 equal to the amount of the bond issued by such professional cash bail
12 agent and declared forfeited by the court or the amount of the
13 qualification bond, whichever is the smaller amount. The division shall
14 suspend the license of such professional cash bail agent until such time
15 as all forfeitures and judgments ordered and entered against the
16 professional cash bail agent have been certified as paid or vacated by
17 order of a court of record and another qualification bond in the required
18 amount is posted with the division.

19 (3) [Formerly 12-7-102.5 (7)] The TO QUALIFY AS A professional
20 cash bonding agent, shall be THE APPLICANT MUST HAVE BEEN licensed as
21 a bail bonding agent AN INSURANCE PRODUCER WHO FURNISHES BAIL in
22 Colorado for four years prior to BEFORE applying for licensure
23 REGISTRATION as a professional cash bail agent.

24 **10-23-104. Fees.** (1) (a) EACH PROFESSIONAL CASH-BAIL AGENT
25 AND CASH-BONDING AGENT SHALL PAY AN APPLICATION FEE SET BY THE
26 DIVISION IN AN AMOUNT TO OFFSET THE DIRECT AND INDIRECT COST OF
27 PROCESSING REGISTRATION APPLICATIONS AND ISSUING A REGISTRATION.

1 (b) EACH PROFESSIONAL CASH-BAIL AGENT AND CASH-BONDING
2 AGENT SHALL PAY A REGISTRATION RENEWAL FEE SET BY THE DIVISION IN
3 AN AMOUNT THAT OFFSETS THE DIRECT AND INDIRECT COST OF
4 IMPLEMENTING THIS ARTICLE, NET OF THE TOTAL AMOUNT OF THE FEES
5 PAID BY THAT AGENT UNDER PARAGRAPH (c) OF THIS SUBSECTION (1).

6 (c) EACH PROFESSIONAL CASH-BAIL AGENT AND CASH-BONDING
7 AGENT SHALL PAY TO THE DIVISION A FEE OF ONE PERCENT ON THE GROSS
8 AMOUNT OF ALL PREMIUMS AND FEES COLLECTED OR CONTRACTED FOR
9 THE FURNISHING OF BAIL, LESS ANY PREMIUM OR FEE REFUNDED AFTER
10 BEING COLLECTED. THE DIVISION MAY LOWER THE FEE IF THE AMOUNT
11 COLLECTED WOULD EXCEED THE AMOUNT NEEDED TO IMPLEMENT THIS
12 ARTICLE PLUS A RESERVE OF SIXTEEN AND ONE-HALF PERCENT.

13 (d) THE PREMIUM FEE IS DUE AND PAYABLE ON THE FIFTEENTH DAY
14 OF JANUARY IN EACH YEAR. ANY PROFESSIONAL CASH-BAIL AGENT OR
15 CASH-BONDING AGENT FAILING OR REFUSING TO RENDER A STATEMENT
16 AND INFORMATION, OR TO PAY THE FEE UNDER THIS SECTION, FOR MORE
17 THAN THIRTY DAYS AFTER THE TIME SPECIFIED, IS LIABLE FOR A PENALTY
18 OF UP TO ONE HUNDRED DOLLARS FOR EACH ADDITIONAL DAY OF
19 DELINQUENCY. THE DIVISION MAY ASSESS THE PENALTY AND INTEREST AT
20 A RATE OF ONE PERCENT PER MONTH OR FRACTION THEREOF ON THE
21 UNPAID AMOUNT FROM THE DATE WHEN PAYMENT WAS DUE TO THE DATE
22 WHEN FULL PAYMENT IS MADE. THE DIVISION MAY SUSPEND THE
23 REGISTRATION OF A DELINQUENT AGENT UNTIL ANY FEES, PENALTIES, AND
24 INTEREST ARE FULLY PAID.

25 (2) THE DIVISION SHALL TRANSFER THE FEES IMPOSED BY THIS
26 SECTION TO THE TREASURER, WHO SHALL CREDIT THE FEE TO THE DIVISION
27 OF INSURANCE CASH FUND CREATED IN SECTION 10-1-103.

1 (3) FOR THE PURPOSE OF AUDITING A PROFESSIONAL CASH-BAIL
2 AGENT'S OR CASH-BONDING AGENT'S PREMIUM FEE STATEMENT, THE
3 DIVISION MAY EXAMINE ANY BOOKS, PAPERS, RECORDS, AGREEMENTS, OR
4 MEMORANDA BEARING UPON THE MATTERS REQUIRED TO BE INCLUDED IN
5 THE PREMIUM FEE STATEMENT. THE AGENT SHALL MAKE THE BOOKS,
6 PAPERS, RECORDS, AGREEMENTS, OR MEMORANDA AVAILABLE UPON
7 REQUEST TO THE DIVISION.

8 **10-23-105. [Formerly 12-7-103 (3) (a)] Qualification bond -**
9 **forfeiture.** (1) ~~Each applicant who is to be authorized as a cash-bonding~~
10 ~~agent pursuant to section 12-7-102 (1) shall be required to post a CASH~~
11 ~~qualification bond in the amount of fifty thousand dollars with the~~
12 ~~division. The bond shall MUST be to the people of the state of Colorado~~
13 ~~in favor of any court in this state, whether municipal, county, district, or~~
14 ~~other court, Any qualification bond for a cash bail bonding agent shall~~
15 ~~also be to the commissioner and TO the division to fulfill FOR the~~
16 ~~purposes of this section. In the event of a forfeiture of a cash-bonding~~
17 ~~agent's qualification bond, the division shall have HAS priority over all~~
18 ~~other claimants. To such bond. Such COMPLY WITH THIS SUBSECTION (1),~~
19 ~~THE bond shall MUST be conditioned upon full and prompt payment into~~
20 ~~the court ordering such THE bond forfeited. Bail bonding agents~~
21 ~~authorized as Cash-bonding agents pursuant to section 12-7-102 (1) may~~
22 ~~only SHALL NOT issue bonds EXCEPT in accordance with the provisions of~~
23 ~~section 16-4-104 (1) (b) (III), C.R.S. In the event of a qualification bond~~
24 ~~forfeiture, a cash-bonding agent shall be prohibited from writing SHALL~~
25 ~~NOT WRITE new bail bonds until the qualification bond is restored to fifty~~
26 ~~thousand dollars.~~

27 (2) [Formerly 12-7-103 (8) (a)] ~~Each applicant who is to be~~

1 authorized as a professional cash-bail agent pursuant to section 12-7-102
2 (~~1~~) shall be required to post a CASH qualification bond in the amount of
3 no less than fifty thousand dollars with the division. The bond shall be to
4 the people of the state of Colorado in favor of any court in this state,
5 whether municipal, county, district, or other court, ~~Any qualification bond~~
6 ~~for a professional cash bail agent shall also be to the commissioner and~~
7 ~~TO the division to fulfill~~ FOR the purposes of this section. A professional
8 cash-bail agent shall not furnish a single bail greater than twice the
9 amount of the bond posted with the division. In the event of a forfeiture
10 of a professional cash-bail agent's qualification bond, the division shall
11 ~~have~~ HAS priority over all other claimants to ~~such~~ THE bond. ~~Such~~ TO
12 COMPLY WITH THIS SUBSECTION (2), THE bond shall MUST be conditioned
13 upon full and prompt payment into the court ordering ~~such~~ THE bond
14 forfeited. ~~Bail bonding agents authorized as Professional cash-bail agents~~
15 ~~pursuant to section 12-7-102 (1) may only~~ SHALL NOT issue bonds EXCEPT
16 in accordance with the provisions of section 16-4-104 (1) (b) (III), C.R.S.
17 In the event of a qualification bond forfeiture, a professional cash-bail
18 agent shall be prohibited from writing NOT WRITE new bail bonds until the
19 qualification bond is restored to at least fifty thousand dollars.

20 (3) TO COMPLY WITH THIS SECTION, THE DIVISION MUST BE
21 DESIGNATED AS AN AUTHORIZED SIGNATORY WITH RIGHT OF
22 SURVIVORSHIP ON ANY BANK ACCOUNT, CERTIFICATION OF DEPOSIT,
23 COMMERCIAL INSTRUMENT, OR SECURITY THAT FUNDS THE BOND
24 REQUIRED BY THIS SECTION. THE RIGHT OF SURVIVORSHIP TERMINATES ON
25 THE LATER OF THE DATE ON WHICH ANY LIABILITY COVERED BY THE BOND
26 IS SATISFIED OR RELEASED OR THE THIRD ANNIVERSARY OF THE DEATH OF
27 THE PROFESSIONAL CASH-BAIL AGENT OR CASH-BONDING AGENT. WHEN

1 THE RIGHT OF SURVIVORSHIP TERMINATES, THE DIVISION SHALL RELEASE
2 THE BOND TO THE AGENT'S ESTATE OR, IF THE ESTATE HAS BEEN SETTLED,
3 TO THE HEIRS OF THE AGENT.

4 (4) TO QUALIFY UNDER THIS SECTION:

5 (a) A BANK ACCOUNT, CERTIFICATE OF DEPOSIT, COMMERCIAL
6 INSTRUMENT, OR SECURITY MUST BE IN THE LEGAL NAME OF THE
7 PROFESSIONAL CASH-BAIL OR CASH-BONDING AGENT AND NOT A TRADE
8 NAME OR OTHER BUSINESS NAME;

9 (b) THE QUALIFICATION BOND MUST CONSIST OF ASSETS THAT ARE
10 SOLELY OWNED AND IN THE NAME OF THE PROFESSIONAL CASH-BAIL OR
11 CASH-BONDING AGENT AND BE IMMEDIATELY AVAILABLE FOR
12 LIQUIDATION BY THE COMMISSIONER OR THE DIVISION;

13 (c) THE QUALIFICATION BOND MUST BE WORTH FIFTY THOUSAND
14 DOLLARS NET OF ANY PENALTY FOR WITHDRAWAL OR LIQUIDATION;

15 (d) THE PROFESSIONAL CASH-BAIL OR CASH-BONDING AGENT MAY
16 RECEIVE INTEREST THEREON, UNLESS THE PRINCIPAL AMOUNT OF THE
17 QUALIFICATION BOND FALLS BELOW THE REQUIRED FIFTY THOUSAND
18 DOLLARS, IF THE QUALIFICATION BOND IS AN INTEREST-BEARING
19 INSTRUMENT;

20 (e) THE TERMS OF THE LOAN, PROMISSORY NOTE, AND FINANCIAL
21 ARRANGEMENT MUST BE SUBMITTED TO THE DIVISION IF THE
22 QUALIFICATION BOND IS FUNDED BY THE PROCEEDS FROM A LOAN,
23 PROMISSORY NOTE, OR OTHER FINANCIAL ARRANGEMENT; AND

24 (f) THE AGREEMENT MUST TERMINATE AT A FIXED TIME AND ANY
25 RATE OF RETURN IS AN ANNUAL PERCENTAGE RATE AND NOT TIED TO ANY
26 PREMIUM OR COLLATERAL OR ANY OTHER DIRECT FUNCTION FROM WHICH
27 AN AGENT MAKES A PROFIT IF THE QUALIFICATION BOND CONSISTS OF

1 MONEYS FROM A LOAN, PROMISSORY NOTE, OR OTHER FINANCIAL
2 ARRANGEMENT.

3 (5) UPON REQUEST BY THE PERSON WHO POSTED THE
4 QUALIFICATION BOND TO BE REGISTERED UNDER THIS ARTICLE, THE
5 COMMISSIONER SHALL RELEASE THE BOND IF THE PERSON HAS NOT BEEN
6 REGISTERED OR LICENSED TO WRITE A BOND AS A PROFESSIONAL
7 CASH-BAIL AGENT OR CASH-BONDING AGENT WITHIN THE LAST SEVEN
8 YEARS. NEITHER THE COMMISSIONER NOR THE DIVISION ARE LIABLE TO
9 ANY OTHER PARTY FOR RELEASING THE QUALIFICATION BOND IN
10 ACCORDANCE WITH THIS SECTION.

11 **10-23-106. [Formerly 12-7-106] Discipline - hearing - civil**
12 **penalty.** (1) The division shall MAY deny, suspend, revoke, or refuse to
13 renew as may be appropriate, the license of any person engaged in the
14 business of bail bonding agent for any of the following reasons A
15 REGISTRATION, OR ISSUE A CEASE-AND-DESIST ORDER IN ACCORDANCE
16 WITH THIS SECTION, UPON REASONABLE GROUNDS THAT THE REGISTRANT:

17 (a) Failure of a cash bonding agent or professional cash bail agent
18 FAILED to post a qualified bond in the required amount with the division
19 during the period such person is WHILE engaged in the business within
20 this state or, if such THE bond has been WAS posted, the forfeiture IT WAS
21 FORFEITED or cancellation of such bond CANCELLED;

22 (b) Knowingly failing FAILED to comply with or knowingly
23 violating any provisions of VIOLATED this article or of any proper order
24 or rule of the division or any court of this state where the licensee
25 REGISTRANT knew or reasonably should have known of the provisions,
26 order or rule;

27 (c) Any activity prohibited in VIOLATED section 12-7-109 (1)

1 12-7-107 (1);

2 (d) ~~Failure to satisfy, pay, or otherwise discharge a bail forfeiture~~
3 ~~judgment after having his or her name placed on the board pursuant to~~
4 ~~section 16-4-112 (5) (e), C.R.S., for more than forty-five consecutive days~~
5 ~~for the same forfeiture~~ WAS CONVICTED OF A FELONY OR PLED GUILTY OR
6 NOLO CONTENDERE TO A FELONY WITHIN THE LAST TEN YEARS,
7 REGARDLESS OF WHETHER THE CONVICTION OR PLEA RESULTED FROM
8 CONDUCT IN OR CONDUCT RELATED TO THE BAIL BOND BUSINESS;

9 (e) ~~Conviction of a felony, a guilty plea to a felony, or a plea of~~
10 ~~nolo contendere to a felony within the last ten years, regardless of~~
11 ~~whether the conviction or plea resulted from conduct in or conduct related~~
12 ~~to the bail bond business~~ SERVED A SENTENCE UPON A CONVICTION OF A
13 FELONY IN A STATE CORRECTIONAL FACILITY, CITY OR COUNTY JAIL, OR
14 COMMUNITY CORRECTIONAL FACILITY OR UNDER THE SUPERVISION OF THE
15 STATE BOARD OF PAROLE OR ANY PROBATION DEPARTMENT WITHIN THE
16 LAST TEN YEARS;

17 (f) ~~Service of a sentence upon a conviction of a felony in a~~
18 ~~correctional facility, city or county jail, or community correctional facility~~
19 ~~or under the supervision of the state board of parole or any probation~~
20 ~~department within the last ten years~~ CONTINUED TO EXECUTE BAIL BONDS
21 IN ANY COURT IN THIS STATE WHILE ON THE BOARD IF THE BAIL
22 FORFEITURE JUDGMENT THAT RESULTED IN THE REGISTRANT'S BEING
23 PLACED ON THE BOARD HAS NOT BEEN PAID, STAYED, VACATED,
24 EXONERATED, OR OTHERWISE DISCHARGED;

25 (g) ~~Failure to report, to preserve without use and retain separately,~~
26 ~~or to return collateral taken as security on any bond to the principal,~~
27 ~~indemnitor, or depositor of such collateral;~~ FURNISHED BAIL IN ANY

1 COURT IN THIS STATE IN AN AMOUNT GREATER THAN TWICE THE AMOUNT
2 OF THE PROFESSIONAL CASH-BAIL AGENT'S BOND POSTED WITH THE
3 DIVISION.

4 ~~(h) Soliciting business in or about any place where prisoners are~~
5 ~~confined, arraigned, or in custody;~~

6 ~~(i) Failure to pay a final, nonappealable judgment award for~~
7 ~~failure to return or repay collateral received to secure a bond;~~

8 ~~(j) Hiring, contracting with, or paying compensation to any~~
9 ~~individual for bail recovery services in violation of the provisions of~~
10 ~~section 12-7-105.5;~~

11 ~~(k) Continuing to execute bail bonds in any court in this state~~
12 ~~while on the board pursuant to section 16-4-112 (5) (e), C.R.S., where the~~
13 ~~bail forfeiture judgment that resulted in being placed on the board has not~~
14 ~~been paid, stayed, vacated, exonerated, or otherwise discharged;~~

15 ~~(l) If a professional cash bail agent furnishes a single bail in any~~
16 ~~court in this state in an amount greater than twice the amount of the~~
17 ~~professional cash bail agent's bond posted with the division.~~

18 (2) ~~If the division denies, suspends, revokes, or refuses to renew~~
19 ~~any such license, the aggrieved person shall be given an opportunity for~~
20 ~~a hearing subject to judicial review as provided in article 4 of title 24,~~
21 ~~C.R.S. EXCEPT FOR THE REASONS LISTED IN PARAGRAPHS (d) AND (e) OF~~
22 ~~SUBSECTION (1) OF THIS SECTION, THE DIVISION, IN LIEU OF REVOKING OR~~
23 ~~SUSPENDING A REGISTRATION, MAY IN ANY ONE PROCEEDING, BY ORDER,~~
24 ~~REQUIRE THE REGISTRANT TO PAY A CIVIL PENALTY IN THE SUM OF NO LESS~~
25 ~~THAN THREE HUNDRED DOLLARS AND NO MORE THAN ONE THOUSAND~~
26 ~~DOLLARS FOR EACH OFFENSE. IF THE REGISTRANT FAILS TO PAY THE~~
27 ~~PENALTY WITHIN TWENTY DAYS AFTER THE MAILING OF THE ORDER,~~

1 POSTAGE PREPAID, REGISTERED AND ADDRESSED TO THE LAST-KNOWN
2 PLACE OF BUSINESS OF THE REGISTRANT, THE DIVISION MAY REVOKE THE
3 REGISTRATION OR MAY SUSPEND THE REGISTRATION FOR SUCH A PERIOD
4 AS THE COMMISSIONER MAY DETERMINE, UNLESS THE ORDER IS STAYED BY
5 A COURT OF COMPETENT JURISDICTION. THE DIVISION SHALL TRANSMIT
6 THE CIVIL PENALTY TO THE STATE TREASURER, WHO SHALL DEPOSIT IT IN
7 THE GENERAL FUND.

8 (3) ~~Except for the reasons listed in paragraphs (e) and (f) of~~
9 ~~subsection (1) of this section, the commissioner, in lieu of revoking or~~
10 ~~suspending a license, may in any one proceeding, by order, require the~~
11 ~~licensee to pay to the commissioner, to be deposited in the general fund~~
12 ~~of the state, a civil penalty in the sum of no less than three hundred~~
13 ~~dollars and no more than one thousand dollars for each offense. Upon~~
14 ~~failure of the licensee to pay the penalty within twenty days after the~~
15 ~~mailing of the order, postage prepaid, registered and addressed to the~~
16 ~~last-known place of business of the licensee, the commissioner may~~
17 ~~revoke the license of the licensee or may suspend the license for such~~
18 ~~period as the commissioner may determine, unless the commissioner's~~
19 ~~order is stayed by an order of a court of competent jurisdiction. EXCEPT~~
20 ~~AS OTHERWISE PROVIDED IN THIS SECTION, THE COMMISSIONER NEED NOT~~
21 ~~FIND THAT THE ACTIONS THAT ARE GROUNDS FOR DISCIPLINE WERE~~
22 ~~WILLFUL BUT MAY CONSIDER WHETHER THE ACTIONS WERE WILLFUL WHEN~~
23 ~~DETERMINING THE NATURE OF DISCIPLINARY SANCTIONS TO BE IMPOSED.~~

24 (4) (a) THE COMMISSIONER MAY COMMENCE A PROCEEDING TO
25 DISCIPLINE A REGISTRANT WHEN THE COMMISSIONER HAS REASONABLE
26 GROUNDS TO BELIEVE THAT THE REGISTRANT HAS COMMITTED AN ACT
27 ENUMERATED IN THIS SECTION.

1 (b) IN ANY PROCEEDING HELD UNDER THIS SECTION, THE
2 COMMISSIONER MAY ACCEPT AS EVIDENCE OF GROUNDS FOR DISCIPLINARY
3 ACTION ANY DISCIPLINARY ACTION TAKEN AGAINST A REGISTRANT IN
4 ANOTHER JURISDICTION IF THE VIOLATION THAT PROMPTED THE
5 DISCIPLINARY ACTION IN THE OTHER JURISDICTION WOULD BE GROUNDS
6 FOR DISCIPLINARY ACTION UNDER THIS ARTICLE.

7 (5) DISCIPLINARY PROCEEDINGS, HEARINGS, AND OPPORTUNITY
8 FOR REVIEW MUST BE CONDUCTED IN ACCORDANCE WITH ARTICLE 4 OF
9 TITLE 24, C.R.S., BY THE COMMISSIONER OR BY AN ADMINISTRATIVE LAW
10 JUDGE, AT THE COMMISSIONER'S DISCRETION. THE COMMISSIONER MAY
11 EXERCISE ALL POWERS AND DUTIES CONFERRED BY THIS ARTICLE DURING
12 THE DISCIPLINARY PROCEEDINGS.

13 (6) (a) THE COMMISSIONER MAY REQUEST THE ATTORNEY
14 GENERAL TO SEEK AN INJUNCTION, IN ANY COURT OF COMPETENT
15 JURISDICTION, TO ENJOIN A PERSON FROM COMMITTING AN ACT
16 PROHIBITED BY THIS ARTICLE. WHEN SEEKING AN INJUNCTION UNDER THIS
17 PARAGRAPH (a), THE ATTORNEY GENERAL SHALL NOT BE REQUIRED TO
18 ALLEGE OR PROVE THE INADEQUACY OF ANY REMEDY AT LAW OR THAT
19 SUBSTANTIAL OR IRREPARABLE DAMAGE IS LIKELY TO RESULT FROM A
20 CONTINUED VIOLATION OF THIS ARTICLE.

21 (b) (I) THE COMMISSIONER MAY INVESTIGATE, HOLD HEARINGS,
22 AND GATHER EVIDENCE IN ALL MATTERS RELATED TO THE EXERCISE AND
23 PERFORMANCE OF THE POWERS AND DUTIES OF THE COMMISSIONER.

24 (II) IN ORDER TO AID THE COMMISSIONER IN ANY HEARING OR
25 INVESTIGATION INSTITUTED UNDER THIS SECTION, THE COMMISSIONER OR
26 AN ADMINISTRATIVE LAW JUDGE APPOINTED BY THE COMMISSIONER MAY
27 ADMINISTER OATHS, TAKE AFFIRMATIONS OF WITNESSES, AND ISSUE

1 SUBPOENAS COMPELLING THE ATTENDANCE OF WITNESSES AND THE
2 PRODUCTION OF ALL RELEVANT RECORDS, PAPERS, BOOKS, DOCUMENTARY
3 EVIDENCE, AND MATERIALS IN ANY HEARING, INVESTIGATION,
4 ACCUSATION, OR OTHER MATTER BEFORE THE COMMISSIONER OR AN
5 ADMINISTRATIVE LAW JUDGE.

6 (III) UPON FAILURE OF ANY WITNESS OR REGISTRANT TO COMPLY
7 WITH A SUBPOENA OR PROCESS, THE DISTRICT COURT OF THE COUNTY
8 WHERE THE SUBPOENAED PERSON OR REGISTRANT RESIDES OR CONDUCTS
9 BUSINESS, UPON APPLICATION BY THE COMMISSIONER WITH NOTICE TO THE
10 SUBPOENAED PERSON OR REGISTRANT, MAY ISSUE TO THE PERSON OR
11 REGISTRANT AN ORDER REQUIRING THE PERSON OR REGISTRANT TO
12 APPEAR BEFORE THE COMMISSIONER; TO PRODUCE THE RELEVANT PAPERS,
13 BOOKS, RECORDS, DOCUMENTARY EVIDENCE, OR MATERIALS IF SO
14 ORDERED; OR TO GIVE EVIDENCE TOUCHING THE MATTER UNDER
15 INVESTIGATION OR IN QUESTION. IF THE PERSON OR REGISTRANT FAILS TO
16 OBEY THE ORDER OF THE COURT, THE PERSON OR REGISTRANT MAY BE
17 HELD IN CONTEMPT OF COURT.

18 (c) THE COMMISSIONER MAY APPOINT AN ADMINISTRATIVE LAW
19 JUDGE UNDER PART 10 OF ARTICLE 30 OF TITLE 24, C.R.S., TO CONDUCT
20 HEARINGS, TAKE EVIDENCE, MAKE FINDINGS, AND REPORT THE FINDINGS
21 TO THE COMMISSIONER.

22 (7) (a) THE COMMISSIONER, THE COMMISSIONER'S STAFF, ANY
23 PERSON ACTING AS A WITNESS OR CONSULTANT TO THE COMMISSIONER,
24 ANY WITNESS TESTIFYING IN A PROCEEDING AUTHORIZED UNDER THIS
25 ARTICLE, AND ANY PERSON WHO LODGES A COMPLAINT PURSUANT TO THIS
26 ARTICLE IS IMMUNE FROM LIABILITY IN ANY CIVIL ACTION BROUGHT
27 AGAINST HIM OR HER FOR ACTS OCCURRING WHILE ACTING IN HIS OR HER

1 CAPACITY AS COMMISSIONER, STAFF, CONSULTANT, OR WITNESS,
2 RESPECTIVELY, IF SUCH INDIVIDUAL WAS ACTING IN GOOD FAITH WITHIN
3 THE SCOPE OF HIS OR HER RESPECTIVE CAPACITY, MADE A REASONABLE
4 EFFORT TO OBTAIN THE FACTS OF THE MATTER AS TO WHICH HE OR SHE
5 ACTED, AND ACTED IN THE REASONABLE BELIEF THAT THE ACTION TAKEN
6 BY HIM OR HER WAS WARRANTED BY THE FACTS.

7 (b) A PERSON PARTICIPATING IN GOOD FAITH IN MAKING A
8 COMPLAINT OR REPORT OR IN AN INVESTIGATIVE OR ADMINISTRATIVE
9 PROCEEDING UNDER THIS SECTION IS IMMUNE FROM ANY CIVIL OR
10 CRIMINAL LIABILITY THAT OTHERWISE MIGHT RESULT BY REASON OF THE
11 PARTICIPATION.

12 (8) A FINAL ACTION OF THE COMMISSIONER IS SUBJECT TO JUDICIAL
13 REVIEW BY THE COURT OF APPEALS PURSUANT TO SECTION 24-4-106 (11),
14 C.R.S. A JUDICIAL PROCEEDING TO ENFORCE AN ORDER OF THE
15 COMMISSIONER MAY BE INSTITUTED IN ACCORDANCE WITH SECTION
16 24-4-106 (3), C.R.S.

17 (9) WHEN A COMPLAINT OR AN INVESTIGATION DISCLOSES AN
18 INSTANCE OF MISCONDUCT THAT, IN THE OPINION OF THE COMMISSIONER,
19 WARRANTS FORMAL ACTION, NO PERSON SHALL RESOLVE THE COMPLAINT
20 BY A DEFERRED SETTLEMENT, ACTION, JUDGMENT, OR PROSECUTION.

21 (10) (a) IF IT APPEARS TO THE COMMISSIONER, BASED UPON
22 CREDIBLE EVIDENCE AS PRESENTED IN A WRITTEN COMPLAINT BY ANY
23 PERSON, THAT A REGISTRANT IS ACTING IN A MANNER THAT IS AN
24 IMMINENT THREAT TO THE HEALTH AND SAFETY OF THE PUBLIC, OR THAT
25 A PERSON IS ACTING OR HAS ACTED WITHOUT THE REQUIRED
26 REGISTRATION, THE COMMISSIONER MAY ISSUE AN ORDER TO CEASE AND
27 DESIST SUCH ACTIVITY. THE ORDER MUST SET FORTH THE STATUTES AND

1 RULES ALLEGED TO HAVE BEEN VIOLATED, THE FACTS ALLEGED TO HAVE
2 CONSTITUTED THE VIOLATION, AND THE REQUIREMENT THAT ALL
3 UNLAWFUL ACTS OR UNREGISTERED PRACTICES IMMEDIATELY CEASE.

4 (b) WITHIN TEN DAYS AFTER SERVICE OF THE ORDER TO CEASE AND
5 DESIST UNDER PARAGRAPH (a) OF THIS SUBSECTION (10), THE REGISTRANT
6 MAY REQUEST A HEARING ON THE QUESTION OF WHETHER ACTS OR
7 PRACTICES IN VIOLATION OF THIS ARTICLE HAVE OCCURRED. THE HEARING
8 MUST BE CONDUCTED PURSUANT TO SECTIONS 24-4-104 AND 24-4-105,
9 C.R.S.

10 (11) (a) IF IT APPEARS TO THE COMMISSIONER, BASED UPON
11 CREDIBLE EVIDENCE AS PRESENTED IN A WRITTEN COMPLAINT BY ANY
12 PERSON, THAT A PERSON HAS VIOLATED ANY OTHER PORTION OF THIS
13 ARTICLE, THEN, IN ADDITION TO ANY SPECIFIC POWERS GRANTED
14 PURSUANT TO THIS ARTICLE, THE COMMISSIONER MAY ISSUE TO THE
15 PERSON AN ORDER TO SHOW CAUSE AS TO WHY THE COMMISSIONER
16 SHOULD NOT ISSUE A FINAL ORDER DIRECTING THE PERSON TO CEASE AND
17 DESIST FROM THE UNLAWFUL ACT OR UNREGISTERED PRACTICE.

18 (b) THE COMMISSIONER SHALL NOTIFY A PERSON AGAINST WHOM
19 AN ORDER TO SHOW CAUSE HAS BEEN ISSUED OF THE ISSUANCE OF THE
20 ORDER, ALONG WITH A COPY OF THE ORDER, THE FACTUAL AND LEGAL
21 BASIS FOR THE ORDER, AND THE DATE SET BY THE COMMISSIONER FOR A
22 HEARING ON THE ORDER. THE NOTICE MAY BE SERVED ON THE PERSON
23 AGAINST WHOM THE ORDER HAS BEEN ISSUED BY PERSONAL SERVICE OR
24 BY CERTIFIED, POSTAGE-PREPAID, UNITED STATES MAIL. PERSONAL
25 SERVICE OR MAILING OF AN ORDER OR DOCUMENT CONSTITUTES NOTICE OF
26 THE ORDER TO THE PERSON.

27 (c) (I) THE COMMISSIONER SHALL HOLD THE HEARING ON AN

1 ORDER TO SHOW CAUSE NO SOONER THAN TEN AND NO LATER THAN
2 FORTY-FIVE CALENDAR DAYS AFTER THE DATE OF TRANSMISSION OR
3 SERVICE OF THE NOTIFICATION BY THE COMMISSIONER AS PROVIDED IN
4 THIS SUBSECTION (11). THE HEARING MAY BE CONTINUED BY AGREEMENT
5 OF ALL PARTIES BASED UPON THE COMPLEXITY OF THE MATTER, NUMBER
6 OF PARTIES TO THE MATTER, AND LEGAL ISSUES PRESENTED IN THE
7 MATTER.

8 (II) IF A PERSON AGAINST WHOM AN ORDER TO SHOW CAUSE HAS
9 BEEN ISSUED DOES NOT APPEAR AT THE HEARING, THE COMMISSIONER MAY
10 PRESENT EVIDENCE THAT NOTIFICATION WAS PROPERLY SENT OR SERVED
11 ON THE PERSON UNDER THIS SUBSECTION (11) AND SUCH OTHER EVIDENCE
12 RELATED TO THE MATTER AS THE COMMISSIONER DEEMS APPROPRIATE.
13 THE COMMISSIONER SHALL ISSUE THE ORDER WITHIN TEN DAYS AFTER THE
14 COMMISSIONER'S DETERMINATION RELATED TO REASONABLE ATTEMPTS TO
15 NOTIFY THE RESPONDENT, AND THE ORDER SHALL BECOME FINAL AS TO
16 THAT PERSON BY OPERATION OF LAW. THE COMMISSIONER SHALL
17 CONDUCT THE HEARING IN ACCORDANCE WITH SECTIONS 24-4-104 AND
18 24-4-105, C.R.S.

19 (III) IF THE COMMISSIONER REASONABLY FINDS THAT THE PERSON
20 AGAINST WHOM THE ORDER TO SHOW CAUSE WAS ISSUED IS ACTING OR
21 HAS ACTED WITHOUT THE REQUIRED LICENSURE, OR HAS OR IS ABOUT TO
22 ENGAGE IN ACTS OR PRACTICES CONSTITUTING VIOLATIONS OF THIS
23 ARTICLE, A FINAL CEASE-AND-DESIST ORDER MAY BE ISSUED, DIRECTING
24 THE PERSON TO CEASE AND DESIST FROM FURTHER UNLAWFUL ACTS OR
25 UNREGISTERED PRACTICES.

26 (IV) THE COMMISSIONER SHALL PROVIDE NOTICE, IN THE MANNER
27 SET FORTH IN THIS SUBSECTION (11), OF THE FINAL CEASE-AND-DESIST

1 ORDER WITHIN TEN CALENDAR DAYS AFTER THE HEARING IS CONDUCTED
2 TO EACH PERSON AGAINST WHOM THE FINAL ORDER HAS BEEN ISSUED. THE
3 FINAL ORDER ISSUED IS EFFECTIVE WHEN ISSUED AND IS A FINAL ORDER
4 FOR PURPOSES OF JUDICIAL REVIEW.

5 (12) IF IT APPEARS TO THE COMMISSIONER, BASED UPON CREDIBLE
6 EVIDENCE PRESENTED TO THE COMMISSIONER, THAT A PERSON HAS
7 ENGAGED OR IS ABOUT TO ENGAGE IN AN UNREGISTERED ACT OR
8 PRACTICE; AN ACT OR PRACTICE CONSTITUTING A VIOLATION OF THIS
9 ARTICLE, A RULE PROMULGATED UNDER THIS ARTICLE, OR AN ORDER
10 ISSUED UNDER THIS ARTICLE; OR AN ACT OR PRACTICE CONSTITUTING
11 GROUNDS FOR ADMINISTRATIVE SANCTION UNDER THIS ARTICLE, THE
12 COMMISSIONER MAY ENTER INTO A STIPULATION WITH THE PERSON.

13 (13) IF ANY PERSON FAILS TO COMPLY WITH A FINAL
14 CEASE-AND-DESIST ORDER OR A STIPULATION, THE COMMISSIONER MAY
15 REQUEST THE ATTORNEY GENERAL OR THE DISTRICT ATTORNEY FOR THE
16 JUDICIAL DISTRICT IN WHICH THE ALLEGED VIOLATION EXISTS TO BRING,
17 AND IF SO REQUESTED, THE ATTORNEY GENERAL SHALL BRING SUIT FOR A
18 TEMPORARY RESTRAINING ORDER AND FOR INJUNCTIVE RELIEF TO
19 PREVENT ANY FURTHER OR CONTINUED VIOLATION OF THE FINAL ORDER.

20 (14) A PERSON AGGRIEVED BY THE FINAL CEASE-AND-DESIST
21 ORDER MAY SEEK JUDICIAL REVIEW OF THE COMMISSIONER'S
22 DETERMINATION OR OF THE COMMISSIONER'S FINAL ORDER AS PROVIDED
23 IN SUBSECTION (8) OF THIS SECTION.

24 **10-23-107. [Formerly 12-7-109] Prohibited activities -**
25 **penalties.** (1) It is unlawful for any licensee REGISTRANT under this
26 article to engage in any of the following activities:

27 (a) ~~Specify, suggest, or advise the employment of any particular~~

1 ~~attorney to represent such licensee's principal;~~ EXCEPT FOR THE BOND FEE,
2 TO FAIL TO RETURN ANY NONFORFEITED COLLATERAL OR SECURITY WITHIN
3 TEN WORKING DAYS AFTER RECEIPT OF A COPY OF THE COURT ORDER THAT
4 RESULTS IN A RELEASE OF THE BOND BY THE COURT, UNLESS:

5 (I) THE COLLATERAL ALSO SECURES OTHER OBLIGATIONS; OR

6 (II) (A) THE LATER OF THREE YEARS OR, IF THE COURT GRANTS AN
7 EXTENSION, SIX YEARS HAVE ELAPSED FROM THE DATE THE BOND WAS
8 POSTED; OR

9 (B) THE REGISTRANT IS EXONERATED AND, AT THE REQUEST OF
10 THE PERSON WHO TENDERED THE COLLATERAL OR SECURITY, RETURNS THE
11 COLLATERAL TO THE PERSON WHO POSTED THE COLLATERAL WITHIN TEN
12 BUSINESS DAYS AFTER THE THREE-YEAR PERIOD.

13 (b) Pay a fee or rebate or give or promise ~~to give~~ anything of value
14 to a jailer, ~~police officer,~~ peace officer, clerk, deputy clerk, ~~any other~~ AN
15 employee of ~~any~~ A court, district attorney or ~~any of such~~ district attorney's
16 employees, or any person who has power to arrest or to hold ~~any~~ A person
17 in custody.

18 (c) ~~Pay a fee or rebate or give anything of value to an attorney in~~
19 ~~bail bond matters, except in defense of any action on a bond or as counsel~~
20 ~~to represent such bail bonding agent or such bonding agent's~~
21 ~~representative or employees~~ FAIL TO ISSUE TO THE PERSON FROM WHOM
22 COLLATERAL OR SECURITY IS TAKEN A RECEIPT WHICH INCLUDES A
23 DESCRIPTION OF THE COLLATERAL OR SECURITY AT THE TIME IT IS TAKEN
24 INTO THE CUSTODY OF THE BAIL BONDING AGENT;

25 (d) ~~Pay a fee or rebate or give or promise to give anything of value~~
26 ~~to the person on whose bond such licensee is surety;~~ FAIL TO POST A BOND
27 WITHIN TWENTY-FOUR HOURS AFTER RECEIPT OF FULL PAYMENT OR A

1 SIGNED CONTRACT FOR PAYMENT, OR, IF THE BOND IS NOT POSTED WITHIN
2 TWENTY-FOUR HOURS AFTER RECEIPT OF FULL PAYMENT OR A SIGNED
3 CONTRACT FOR PAYMENT, FAIL TO REFUND ALL MONEYS RECEIVED,
4 RELEASE ALL LIENS, AND RETURN ALL COLLATERAL WITHIN FORTY-EIGHT
5 HOURS AFTER RECEIPT OF THE PAYMENT OR CONTRACT.

6 (d.5) Except for the fee received for the bond, to fail to return any
7 collateral or security within ten working days after receipt of a copy of the
8 court order that results in a release of the bond by the court, unless the
9 collateral also secures other obligations in compliance with section
10 12-7-108 (10). A copy of the court order shall be provided to the bonding
11 agent in Colorado or the company, if any, for whom the bonding agent
12 works whether in Colorado or out-of-state, or both, by the person for
13 whom the bond was written; except that, if three years have elapsed from
14 the date of the posting of the bond, unless a judgment has been entered
15 against the surety or the principal for the forfeiture of the bond, or unless
16 the court grants an extension of the three-year time period for good cause
17 shown, the bail bonding agent, as principal or as surety, shall be
18 exonerated and, at the request of the person who tendered the collateral
19 or security, return the collateral or security to the person who posted the
20 collateral or security within ten business days after the three-year time
21 period. The commissioner may release a lien after the three-year time
22 period has expired if the lienholder cannot be contacted after an attempt
23 has been made by certified mail and the attempt has failed.

24 (e) Accept anything of value from a person on whose bond such
25 licensee is surety or from others on behalf of such person except the fee
26 or premium on the bond, but the bail bonding agent may accept collateral
27 security or other indemnity if: ACT AS A PROFESSIONAL CASH-BAIL AGENT

1 OR CASH-BONDING AGENT IN ANY COURT WHILE THE NAME OF THE
2 REGISTRANT IS ON THE BOARD OR WHEN A REGISTRANT HAS FAILED TO PAY
3 A BAIL FORFEITURE JUDGMENT AFTER ALL APPLICABLE STAYS OF
4 EXECUTION HAVE EXPIRED AND THE BOND HAS NOT BEEN OTHERWISE
5 EXONERATED OR DISCHARGED;

6 (I) No collateral or security in tangible property is taken by pledge
7 or debt instrument which allows retention, sale, or other disposition of
8 such property upon default except in accordance with the provisions of
9 article 9 of title 4, C.R.S.;

10 (II) No collateral or security interest in real property is taken by
11 deed or any other instrument unless the bail bonding agent's interest in the
12 property is limited to the amount of the bond;

13 (III) The collateral or security taken by the bail bonding agent is
14 not pledged directly to any court as security for any appearance bond; and

15 (IV) The person from whom the collateral or security is taken is
16 issued a receipt describing the condition of the collateral at the time it is
17 taken into the custody of the bail bonding agent;

18 (f) Coerce, suggest, aid and abet, offer promise of favor, or
19 threaten any person on whose bond such licensee is surety or offers to
20 become surety to induce that person to commit any crime;

21 (g) Act as a bail bonding agent in any court of record in this state
22 while the name of such licensee is on the board pursuant to section
23 16-4-112 (5) (e), C.R.S., or under any circumstance where a licensee has
24 failed to pay a bail forfeiture judgment after all applicable stays of
25 execution have expired and the bond has not been otherwise exonerated
26 or discharged;

27 (h) to (j) Repealed.

1 ~~(k) Accept anything of value from a person on whose bond such~~
2 ~~licensee is indemnitor or from another on behalf of such principal except~~
3 ~~the premium; except that the bail bonding agent licensed under this article~~
4 ~~may accept collateral security or other indemnity from the person on~~
5 ~~whose bond such bail bonding agent is indemnitor or from another on~~
6 ~~behalf of such principal. All such collateral or other indemnity shall be~~
7 ~~returned pursuant to the requirements contained in paragraph (d.5) of this~~
8 ~~subsection (1). The bail bonding agent licensed under this article shall~~
9 ~~preserve and separately retain such collateral and shall be responsible for~~
10 ~~the return of all such collateral taken and shall be liable for failure thereof~~
11 ~~as will also be the surety company. When a bail bonding agent accepts~~
12 ~~collateral as security pursuant to this paragraph (k), such bail bonding~~
13 ~~agent shall give a written receipt for such collateral to the person on~~
14 ~~whose bond such bail bonding agent is indemnitor or to another on behalf~~
15 ~~of such principal and the surety, which shall provide in detail a full~~
16 ~~description of the collateral received. In the event of the failure of or~~
17 ~~inability for any reason of a bail bonding agent or such bail bonding~~
18 ~~agent's heirs or assignees to return collateral as required in this paragraph~~
19 ~~(k), the commissioner or the commissioner's designee is authorized to~~
20 ~~take immediate possession of the collateral and take whatever actions are~~
21 ~~necessary and appropriate to assure compliance with the obligations of~~
22 ~~this article relating to the return of collateral. The commissioner is~~
23 ~~authorized to utilize any or all of the qualification bond required in~~
24 ~~section 12-7-103 (3) for any costs incurred. Any such payment received~~
25 ~~by the commissioner is hereby appropriated to the division of insurance~~
26 ~~in addition to any other funds appropriated for its normal operation. The~~
27 ~~commissioner shall forfeit a qualification bond in the amount necessary~~

1 to pay any final, nonappealable judgment award for failure to return
2 collateral, including costs and attorney's fees, if awarded.

3 (l) Sign or countersign blank bail bonds or execute a power of
4 attorney or otherwise authorize anyone to countersign such licensee's
5 name to bonds;

6 (m) For any one licensee to have more than one bond posted at
7 any one time and, in any single case, on behalf of any one person;

8 (n) Fail to issue to the person from whom collateral or security is
9 taken a receipt which includes a description of the collateral or security
10 at the time it is taken into the custody of the bail bonding agent;

11 (o) Failure to post a bond within twenty-four hours of receipt of
12 full payment or a signed contract for payment, or if the bond is not posted
13 within twenty-four hours of receipt of full payment or a signed contract
14 for payment, failure to refund all moneys received, release all liens, and
15 return all collateral within forty-eight hours of receipt of such payment or
16 contract.

17 (2) Any licensee A REGISTRANT who violates any provision of
18 subsection (1) of this section is guilty of a misdemeanor and, upon
19 conviction thereof, shall be punished by a fine of not more than one
20 thousand dollars, or by imprisonment in the county jail for not more than
21 one year, or by both such fine and imprisonment. Any criminal penalty
22 prescribed in this section for a violation of this article shall be IS in
23 addition to, and not exclusive of, any other applicable penalty prescribed
24 by law.

25 (3) Any A person who acts or attempts to act as a bail bonding
26 PROFESSIONAL CASH-BAIL AGENT OR CASH-BONDING agent and who is not
27 licensed REGISTERED as such under this article is guilty of a misdemeanor

1 and, upon conviction thereof, shall be punished by a fine of not more than
2 one thousand dollars, or by imprisonment in the county jail for not more
3 than one year, or by both such fine and imprisonment. UPON CONVICTION,
4 THE COURT SHALL REQUIRE THE PERSON TO DISGORGE ANY PROFITS FROM
5 ACTING AS A PROFESSIONAL CASH-BAIL AGENT OR CASH-BONDING AGENT
6 AND FORWARD THE PROFITS TO THE STATE TREASURER, WHO SHALL
7 DEPOSIT THE MONEYS IN THE GENERAL FUND.

8 **10-23-108. [Formerly 12-7-112] Repeal - review of functions.**
9 This article is repealed, effective ~~July 1, 2012~~ SEPTEMBER 1, 2017. Prior
10 to ~~such~~ THE repeal, the licensing functions of the commissioner and the
11 division shall be reviewed as provided for in section 24-34-104, C.R.S.

12 **SECTION 40.** In Colorado Revised Statutes, 16-1-104, **add** (3.5)
13 as follows:

14 **16-1-104. Definitions.** (3.5) "BAIL BONDING AGENT" OR
15 "BONDING AGENT" MEANS A INDIVIDUAL WHO IS IN THE BUSINESS OF
16 WRITING APPEARENCE BONDS AND WHO IS SUBJECT TO REGULATION BY
17 THE DIVISION OF INSURANCE IN THE DEPARTMENT OF REGULATORY
18 AGENCIES, INCLUDING AN INSURANCE PRODUCER, CASH-BONDING AGENT,
19 OR PROFESSIONAL CASH-BAIL AGENT.

20 **SECTION 41.** In Colorado Revised Statutes, 16-3-503, **amend**
21 (1) (c) as follows:

22 **16-3-503. Bonds recovered for persons illegally in the country.**
23 (1) (c) If it is determined that a defendant is illegally present in the
24 country after ~~a bail~~ AN APPEARANCE bond is posted on a felony or a class
25 1 or class 2 misdemeanor, the jail or court shall return all documents
26 concerning the defendant that are signed by the bail bonding agent to the
27 agent, and the agent shall return ~~the fees collected pursuant to section~~

1 ~~12-7-108 (7), C.R.S.~~ ANY PREMIUM, COMMISSION, OR FEE, NOT
2 INCLUDING PREMIUM FINANCING FEES, BOND FILING FEES CHARGED BY A
3 COURT OR LAW ENFORCEMENT AGENCY, AND THE ACTUAL COST OF
4 STORING COLLATERAL IN A SECURE, SELF-SERVICE PUBLIC STORAGE
5 FACILITY, to the court for forfeiture ~~pursuant to~~ UNDER subsection (2) of
6 this section.

7 **SECTION 42.** In Colorado Revised Statutes, 16-4-104, **amend**
8 (1) (b) (III) as follows:

9 **16-4-104. Bail bond - alternatives.** (1) When the amount of bail
10 is fixed by the judge of a court of record, the judge shall also determine
11 which of the following kinds of bond shall be required for the pretrial
12 release of the defendant:

13 (b) The defendant may be released from custody upon execution
14 of bond in the full amount of the bail to be secured in any one or more, or
15 any combination of, the following ways:

16 (III) By ~~sureties~~ CASH OR SECURITIES worth at least one and
17 one-half the amount of bail set in the bond or by a bail bonding agent. ~~or~~
18 ~~a cash bonding agent qualified to write bail bonds pursuant to article 7 of~~
19 ~~title 12, C.R.S.~~

20 **SECTION 43.** In Colorado Revised Statutes, 16-4-112, **amend**
21 (2) (a) and (2) (c); and **add** (6) as follows:

22 **16-4-112. Enforcement procedures for compensated sureties**
23 **- definitions.** (2) As used in this section, unless the context otherwise
24 requires:

25 (a) "Bail insurance company" means an insurer as defined in
26 section 10-1-102 (13), C.R.S., engaged in the business of writing bail
27 appearance bonds through bonding agents, which company is subject to

1 regulation by the division of insurance in the department of regulatory
2 agencies.

3 (c) "Compensated surety" means any person WHO IS in the
4 business of writing ~~bail~~ appearance bonds AND who is subject to
5 regulation by the division of insurance in the department of regulatory
6 agencies, including bonding agents and bail insurance companies.
7 Nothing in this paragraph (c) ~~shall be construed to authorize~~ AUTHORIZES
8 bail insurance companies to write ~~bail~~ APPEARANCE bonds except through
9 ~~licensed~~ bail bonding agents.

10 (6) A BAIL INSURANCE COMPANY SHALL NOT WRITE BAIL BONDS
11 UNLESS THROUGH A LICENSED BAIL BONDING AGENT.

12 **SECTION 44.** In Colorado Revised Statutes, 24-34-104, **amend**
13 (43) introductory portion and (48.5); and **repeal** (43) (f) as follows:

14 **24-34-104. General assembly review of regulatory agencies**
15 **and functions for termination, continuation, or reestablishment.**

16 (43) The following agencies, functions, or both, ~~shall~~ terminate on July
17 1, 2012:

18 (f) ~~The licensing of bail bonding agents through the division of~~
19 ~~insurance in accordance with article 7 of title 12, C.R.S.;~~

20 (48.5) The following agencies, functions, or both, ~~shall~~ terminate
21 on September 1, 2017:

22 (a) The domestic violence offender management board created in
23 section 16-11.8-103, C.R.S.

24 (b) THE LICENSING OF PROFESSIONAL CASH-BAIL AGENTS AND
25 CASH-BONDING AGENTS UNDER ARTICLE 23 OF TITLE 10, C.R.S.

26 **SECTION 45.** In Colorado Revised Statutes, 2-3-1203, **repeal** (3)
27 (z) (III) as follows:

1 **2-3-1203. Sunset review of advisory committees.** (3) The
2 following dates are the dates for which the statutory authorization for the
3 designated advisory committees is scheduled for repeal:

4 (z) July 1, 2013:

5 (III) ~~The advisory committee to the division of insurance~~
6 ~~regarding bail bond issues, created in section 12-7-104.5, C.R.S.;~~

7 **SECTION 46.** In Colorado Revised Statutes, 24-31-303, **amend**
8 (1) (h) as follows:

9 **24-31-303. Duties - powers of the P.O.S.T. board.** (1) The
10 P.O.S.T. board has the following duties:

11 (h) To establish standards for training in bail recovery practices.
12 ~~under sections 12-7-102.5 (1) (b) and 12-7-105.5 (1) (b), C.R.S. The~~
13 ~~board shall establish such standards on or before October 1, 1998.~~

14 **SECTION 47.** In Colorado Revised Statutes, 24-33.5-412, **repeal**
15 (1) (p) as follows:

16 **24-33.5-412. Functions of bureau - legislative review.** (1) The
17 bureau has the following authority:

18 (p) ~~To conduct a criminal background check of an applicant who~~
19 ~~wishes to provide bail recovery services for a bail bonding agent under~~
20 ~~section 12-7-105.5 (1) (a), C.R.S.;~~

21 **SECTION 48. Effective date - applicability.** This act takes
22 effect July 1, 2012, and applies to offenses committed and applications
23 submitted on or after said date.

24 **SECTION 49. Safety clause.** The general assembly hereby finds,
25 determines, and declares that this act is necessary for the immediate
26 preservation of the public peace, health, and safety.