

Second Regular Session
Sixty-eighth General Assembly
STATE OF COLORADO

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

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

Judiciary
Finance

A BILL FOR AN ACT

101 CONCERNING THE CONTINUATION OF THE LICENSING OF PERSONS WHO
102 FURNISH BAIL FOR COMPENSATION, AND, IN CONNECTION
103 THEREWITH, REDUCING AN APPROPRIATION .

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

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.

SENATE
Am ended 2nd Reading
May 8, 2012

HOUSE
3rd Reading Unam ended
April 24, 2012

HOUSE
Am ended 2nd Reading
April 23, 2012

applies to cash bonding agents and professional cash bail agents. A prohibition against licensing firms is repealed.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) and (3.7) 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 (3.7) "BAIL RECOVERY" MEANS ACTIONS TAKEN BY A PERSON
16 OTHER THAN A PEACE OFFICER TO APPREHEND AN INDIVIDUAL OR TAKE AN
17 INDIVIDUAL INTO CUSTODY BECAUSE OF THE INDIVIDUAL'S FAILURE TO
18 COMPLY WITH BAIL CONDITIONS.

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

21 **10-1-103. Division of insurance - subject to termination -**
22 **repeal of functions.** (3) All direct and indirect expenditures of the
23 division ~~shall be~~ ARE paid from the division of insurance cash fund,
24 which fund is hereby created in the state treasury. All fees collected

1 ~~pursuant to~~ UNDER sections 8-44-204 (7), C.R.S., 8-44-205 (6), C.R.S.,
2 10-2-413, 10-3-108, 10-3-207, 10-3.5-104, 10-3.5-107, 10-12-106,
3 10-15-103, 10-16-110 (1) and (2), 10-16-111 (1), 10-23-102, 10-23-104,
4 24-10-115.5 (5), C.R.S., and 29-13-102 (5), C.R.S., not including fees
5 retained ~~pursuant to~~ UNDER contracts entered into in accordance with
6 section 10-2-402 (5) or 24-34-101, C.R.S., and all taxes collected
7 ~~pursuant to~~ UNDER section 10-3-209 (4) designated for the division of
8 insurance, ~~shall be~~ ARE transmitted to the state treasurer, who shall credit
9 the ~~same~~ MONEYS to the division of insurance cash fund. THE DIVISION
10 SHALL USE all moneys credited to the division of insurance cash fund ~~shall~~
11 ~~be used~~ as provided in this section and in section 24-48.5-106, C.R.S.,
12 ~~shall not be deposited in or transferred~~ SUBJECT TO ANNUAL
13 APPROPRIATION BY THE GENERAL ASSEMBLY FOR THE PURPOSES
14 AUTHORIZED IN THIS TITLE AND AS OTHERWISE AUTHORIZED BY LAW.
15 MONEYS IN THE FUND DO NOT REVERT to the general fund of this state or
16 to any other fund. ~~and shall be subject to annual appropriation by the~~
17 ~~general assembly for the purposes authorized in this title and as otherwise~~
18 ~~authorized by law.~~ In accordance with section 24-36-114, C.R.S., all
19 interest derived from the deposit and investment of moneys in the fund
20 ~~shall be~~ IS credited to the general fund.

21 (6) (b) (I) (A) ~~The functions of the division of insurance related~~
22 ~~to the licensing of bail bonding agents are repealed, effective July 1,~~
23 ~~2012, pursuant to the provisions of this section and section 12-7-112,~~
24 ~~C.R.S.~~

25 (D) The functions of the division of insurance ~~other than those~~
26 ~~functions related to the licensing of bail bonding agents,~~ are repealed,
27 effective July 1, 2017, pursuant to this section and section 24-34-104

1 (48), C.R.S.

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

4 **10-1-108. Duties of commissioner - reports - publications - fees**
5 **- disposition of funds - adoption of rules - examinations and**
6 **investigations.** (5) It is the duty of the commissioner to make such
7 investigations and examinations as are authorized by this title (except
8 article 15) ~~article 7 of title 12~~, and article 14 of title 24, C.R.S., and to
9 investigate such information as is presented to the commissioner by
10 authority that the commissioner believes to be reliable pertaining to
11 violation of the insurance laws of Colorado, and it is the commissioner's
12 duty to present the result of such investigations and examinations for
13 further investigation and prosecution to either the district attorney of the
14 proper judicial district or the attorney general when, in the commissioner's
15 opinion, such violations justify such action.

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

23 (9) It is the duty of the commissioner to transmit all surcharges,
24 costs, taxes, penalties, and fines collected by the division of insurance
25 under any provision of this title (except article 15) ~~article 7 of title 12~~, and
26 article 14 of title 24, C.R.S., to the department of the treasury. All funds
27 so transmitted shall be credited to the general fund; except that any funds

1 collected by the commissioner as reimbursement for out-of-state travel
2 costs in conjunction with the examination of an insurance company or
3 with an activity to improve regulation of insurance companies are hereby
4 continuously appropriated to the division of insurance in addition to any
5 other funds appropriated for its normal operation.

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

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

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

1 the commissioner to suspend or revoke a certificate of authority or license
2 of any person or entity regulated by the division of insurance shall be
3 subject to judicial review by the court of appeals pursuant to section
4 24-4-106 (11), C.R.S.

5 **SECTION 5.** In Colorado Revised Statutes, **amend** 10-1-111 as
6 follows:

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

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

20 **10-1-112. Policy conditions required by other states.** The
21 policies of a domestic insurance company, when issued or delivered in
22 any other state, territory, district, or country, may contain any provision
23 required by the laws of the state, territory, district, or country in which the
24 same are issued, anything in this title (except article 15) ~~article 7 of title~~
25 ~~12~~, and article 14 of title 24, C.R.S., to the contrary notwithstanding.

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

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

5 **SECTION 8.** In Colorado Revised Statutes, 10-2-301, **amend** (6)
6 (a) and (6) (c) as follows:

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

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

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

3 **10-2-407. License - definitions of lines of insurance - authority.**

4 (1) Unless A PERSON IS denied licensure pursuant to section 10-2-801, or
5 ~~12-7-106, C.R.S.~~, THE DIVISION SHALL ISSUE a person who has met the
6 requirements of sections 10-2-401 OR 10-2-404 ~~12-7-102, or 12-7-103,~~
7 ~~C.R.S.~~, may be issued an insurance producer license. An insurance
8 producer may receive qualification for a single license to include one or
9 more of the following lines of authority:

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

14 **SECTION 10.** In Colorado Revised Statutes, 10-2-415.5, **amend**
15 (1), (2) (a), (2) (b) introductory portion, (2) (b) (I), and (3); and **add** (2)(c)
16 as follows:

17 **10-2-415.5. Appointment of insurance producer - continuation**

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

1 (2) (a) ~~An insurer~~ A BAIL INSURANCE COMPANY shall notify the
2 commissioner of each INSURANCE producer ~~bail bonding agent~~
3 appointment. Each ~~insurer~~ BAIL INSURANCE COMPANY shall file with the
4 commissioner, monthly or at such other less frequent intervals as the
5 commissioner may prescribe, a current list of insurance producers that it
6 has appointed to solicit business on its behalf. The list shall contain all
7 relevant appointment information as prescribed by the commissioner,
8 including the effective date of appointment.

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

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

14 (c) (I) A BAIL INSURANCE COMPANY SHALL NOT APPOINT AN
15 INSURANCE PRODUCER TO ACT AS ITS AGENT TO WRITE BAIL BONDS UNLESS
16 THE AGENT IS LICENSED AS AN INSURANCE PRODUCER AUTHORIZED TO
17 WRITE BAIL BONDS AND HAS COMPLETED THE PRELICENSURE EDUCATION
18 REQUIRED BY THIS PARAGRAPH (c) AND SUBMITTED TO THE BAIL
19 INSURANCE COMPANY EVIDENCE OF SATISFACTORY COMPLETION OF THE
20 EDUCATION. THE EDUCATION MUST BE APPROVED BY THE DIVISION AND
21 CONSIST OF AT LEAST:

22 (A) EIGHT CLOCK HOURS REGARDING BAIL BONDING, TWO OF
23 WHICH CONCERN THE CRIMINAL COURT SYSTEM, TWO OF WHICH CONCERN
24 BAIL BOND INDUSTRY ETHICS, AND FOUR OF WHICH CONCERN THE BAIL
25 BOND LAWS; AND

26 (B) SIXTEEN CLOCK HOURS OF TRAINING IN BAIL RECOVERY
27 PRACTICES THAT COMPLIES WITH STANDARDS ESTABLISHED BY THE PEACE

1 OFFICERS STANDARDS AND TRAINING BOARD UNDER SECTION 24-31-303

2 (1) (h), C.R.S.

3 (II) THIS PARAGRAPH (c) DOES NOT APPLY TO A PERSON WHO HAS
4 SUCCESSFULLY COMPLETED THE REQUIRED PRELICENSURE TRAINING
5 PURSUANT TO SECTION 12-7-102.5, C.R.S., AS IT EXISTED PRIOR TO JULY
6 1, 2012.

7 (III) A BAIL INSURANCE COMPANY FAILING TO COMPLY WITH THIS
8 PARAGRAPH (c) IS SUBJECT TO DISCIPLINE UNDER SECTION 10-1-110 OR
9 THE ASSESSMENT OF A PENALTY.

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

16 ==

17 SECTION 11. In Colorado Revised Statutes, add 10-2-415.6 as
18 follows:

19 10-2-415.6. Bail bond reports required - repeal. (1) EACH
20 INSURANCE PRODUCER WHO _____ WRITES BAIL BONDS SHALL SUBMIT AN
21 ANNUAL REPORT IN A FORMAT REQUIRED BY THE COMMISSIONER
22 COVERING JULY 1 TO JUNE 30, NO LATER THAN OCTOBER 1 OF THE
23 FOLLOWING YEAR, OF THE FOLLOWING INFORMATION FOR BAIL BONDS
24 POSTED IN COLORADO BY THE PRODUCER DURING THE REPORTING PERIOD:

- 25 (a) THE NUMBER OF BAIL BONDS POSTED WITH A COURT;
- 26 (b) THE NUMBER OF BAIL BONDS DISCHARGED BY A COURT;
- 27 (c) THE NUMBER OF BAIL BONDS DISCHARGED BY A COURT FOR

1 WHICH THE DEFENDANT APPEARED FOR ALL SCHEDULED COURT
2 APPEARANCES FOR THE DURATION OF THE BOND; _____

3 (d) THE NUMBER OF BAIL BONDS DISCHARGED BY A COURT FOR
4 WHICH THE DEFENDANT'S BOND WAS REVOKED BY A COURT AT THE
5 REQUEST OF THE PRODUCER FOR ANY REASON OTHER THAN FAILURE TO
6 APPEAR;

7 (e) THE NUMBER OF BAIL BONDS DISCHARGED BY A COURT FOR
8 WHICH THE DEFENDANT'S BOND WAS REVOKED BY A COURT AT THE
9 REQUEST OF THE PRODUCER BECAUSE THE DEFENDANT WAS CHARGED
10 WITH A NEW CRIMINAL OFFENSE ALLEGED TO HAVE BEEN COMMITTED
11 DURING THE DURATION OF THE BOND; AND

12 (f) THE NUMBER OF BAIL BONDS POSTED BY THE PRODUCER OR ANY
13 OTHER PRODUCER IN THE PRODUCER'S AGENCY FOR A DEFENDANT DURING
14 THE TIME THE DEFENDANT WAS COVERED BY ANOTHER BOND POSTED BY
15 THE PRODUCER OR THE PRODUCER'S AGENCY FOR ANOTHER CRIMINAL
16 CASE.

17 (2) IF, DURING THE REPORTING PERIOD FROM JULY 1, 2012, TO
18 JUNE 30, 2013, OR ANY YEAR THEREAFTER, THE INSURANCE PRODUCER,
19 THE STATE JUDICIAL DEPARTMENT, REPRESENTATIVES OF LAW
20 ENFORCEMENT, AND REPRESENTATIVES OF COUNTY GOVERNMENT
21 COMPLETE THE DESIGN OF AN INSTRUMENT, SYSTEM, OR OTHER METHOD
22 OF PROPER VERIFICATION OF THE ACTIONS OF AN INSURANCE PRODUCER IN
23 RETURNING THE DEFENDANT TO CUSTODY OR TO THE COURT FOR FURTHER
24 PROCEEDINGS FOLLOWING A FAILURE TO APPEAR ON A POSTED BOND, THEN
25 THE INSURANCE PRODUCER MAY REPORT THE FOLLOWING:

26 (a) THE NUMBER OF DEFENDANTS WHO WERE RETURNED TO COURT
27 THROUGH THE ACTIONS OF THE INSURANCE PRODUCER OR THE PRODUCER'S

1 AGENT AFTER FAILURE TO APPEAR;

2 (b) THE NUMBER OF DEFENDANTS WHO WERE RETURNED TO
3 CUSTODY BY ACTION OF THE INSURANCE PRODUCER OR THE PRODUCER'S
4 AGENT AFTER FAILURE TO APPEAR; AND

5 (c) THE NUMBER OF CONSENTS OF SURETY FILED WITH THE COURT
6 TO CONTINUE THE BOND AFTER FAILURE TO APPEAR.

7 (3) IN THE ANNUAL REPORT REQUIRED BY THIS SECTION, THE
8 INSURANCE PRODUCER SHALL SIGN AND AFFIRM THE INFORMATION
9 SUBMITTED IS TRUE AND ACCURATE TO THE BEST OF THE PRODUCER'S
10 KNOWLEDGE.

11 (4) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2015.

12 **SECTION 12.** In Colorado Revised Statutes, 10-2-415.7, **amend**
13 **(2)** as follows:

14 **10-2-415.7. Termination of insurance producer bail bonding**
15 **agent - notice - penalty.** (2) If the termination of an agent's appointment
16 is for any of the causes listed in section 10-1-128 OR 10-2-801, ~~12-7-106,~~
17 ~~or 12-7-109, C.R.S.,~~ the insurer shall notify the commissioner of the
18 reason and, if the commissioner so requests, the insurer shall provide any
19 information, records, statements, or other data pertaining to the
20 termination that may be used by the division in any action taken pursuant
21 to sections UNDER SECTION 10-2-801. and ~~12-7-106, C.R.S.~~

22 **SECTION 13.** In Colorado Revised Statutes, **add** 10-2-418 as
23 follows:

24 **10-2-418. Bail bonding authority.** (1) THE DIVISION SHALL
25 ADVISE STATE COURT ADMINISTRATORS THAT A PERSON MAY FURNISH A
26 BAIL BOND IF THE PERSON IS A LICENSED INSURANCE PRODUCER WITH A
27 POWER OF ATTORNEY FROM AN INSURANCE COMPANY, APPEARS ON THE

1 DIVISION'S WEB SITE AS AN ACTIVE INSURANCE PRODUCER WITH CASUALTY
2 AUTHORITY, AND IS APPOINTED BY THAT INSURANCE COMPANY.

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

7 **SECTION 14.** In Colorado Revised Statutes, 10-2-502, **amend**
8 (1) introductory portion as follows:

9 **10-2-502. Nonresident licensing - qualification.** (1) ~~Except for~~
10 ~~individuals or entities writing bail,~~ The commissioner may qualify an
11 applicant as a nonresident, unless the applicant is denied licensure
12 pursuant to section 10-2-801, and shall issue an insurance producer
13 license to any qualified nonresident person in accordance with the
14 following:

15 **SECTION 15.** In Colorado Revised Statutes, 10-2-702, **amend**
16 (2) as follows:

17 **10-2-702. Commissions.** (2) ~~Except for individuals or entities~~
18 ~~writing bail,~~ An insurer or insurance producer may pay or assign
19 commissions, service fees, brokerages, or other valuable consideration to
20 an insurance agency, business entity, or persons who do not sell, solicit,
21 or negotiate insurance in this state, unless the payment would violate
22 section 10-3-1104 (1) (g).

23 **SECTION 16.** In Colorado Revised Statutes, **add 10-2-705,**
24 **10-2-706, and 10-2-707** as follows:

25 **10-2-705. Bail bond documents - requirements - rules.** (1) THE
26 INSURANCE PRODUCER WHO POSTS A BAIL BOND WITH THE COURT ON
27 BEHALF OF A DEFENDANT SHALL ENSURE THAT THE FOLLOWING

1 DOCUMENTS COMPLY WITH THE FOLLOWING PROVISIONS:

2 (a) AN INDEMNITY AGREEMENT MUST:

3 (I) BE IN WRITING;

4 (II) BE SIGNED BY THE PRODUCER;

5 (III) BE SIGNED BY THE DEFENDANT OR INDEMNITOR;

6 (IV) SET FORTH THE AMOUNT OF BAIL SET IN THE CASE, THE NAME

7 OF THE DEFENDANT RELEASED ON THE BAIL BOND, THE COURT CASE

8 NUMBER IF AVAILABLE, THE COURT WHERE THE BOND IS EXECUTED, THE

9 PREMIUM CHARGED, THE AMOUNT AND TYPE OF COLLATERAL HELD BY THE

10 INSURANCE PRODUCER, AND THE CONDITIONS UNDER WHICH THE

11 COLLATERAL IS RETURNED;

12 (V) CONTAIN DOCUMENTATION THAT THE INDEMNITOR HAS

13 RECEIVED COPIES OF SIGNED AND DATED DISCLOSURE FORMS; AND

14 (VI) IF THE DEFENDANT OR INDEMNITOR IS ILLITERATE OR DOES

15 NOT READ ENGLISH, CONTAIN A NOTE ON THE INDEMNITY AGREEMENT

16 THAT THE PRODUCER OR A THIRD PARTY HAS READ OR TRANSLATED THE

17 AGREEMENT TO THE DEFENDANT OR INDEMNITOR AND BE AFFIXED WITH

18 AN AFFIDAVIT TO THE INDEMNITY AGREEMENT ATTESTING THAT THE

19 DOCUMENT WAS TRANSLATED;

20 (b) A PROMISSORY NOTE MUST BE:

21 (I) IN WRITING;

22 (II) SIGNED BY THE PRODUCER; AND

23 (III) SIGNED BY THE DEFENDANT OR INDEMNITOR;

24 (c) A COLLATERAL RECEIPT MUST:

25 (I) BE DATED;

26 (II) BE IN WRITING;

27 (III) BE SIGNED BY THE PRODUCER;

- 1 (IV) BE SIGNED BY THE DEFENDANT OR INDEMNITOR;
- 2 (V) BE PRENUMBERED;
- 3 (VI) CONTAIN A FULL DESCRIPTION OF THE COLLATERAL,
4 INCLUDING THE CONDITION OF THE COLLATERAL AT THE TIME IT IS TAKEN
5 INTO CUSTODY; AND
- 6 (VII) SET FORTH THE AMOUNT OF BAIL SET IN THE CASE, THE NAME
7 OF THE DEFENDANT RELEASED ON THE BAIL BOND, THE COURT CASE
8 NUMBER, THE COURT WHERE THE BOND IS EXECUTED, THE PREMIUM
9 CHARGED, THE AMOUNT AND TYPE OF COLLATERAL HELD BY THE
10 INSURANCE PRODUCER, AND THE CONDITIONS UNDER WHICH THE
11 COLLATERAL IS RETURNED;
- 12 (d) A BAIL BOND REVOCATION REQUEST MUST BE:
 - 13 (I) DATED;
 - 14 (II) IN WRITING;
 - 15 (III) SIGNED BY THE PRODUCER; AND
 - 16 (IV) SIGNED BY THE DEFENDANT OR INDEMNITOR.
- 17 (2) (a) BEFORE ACCEPTING CONSIDERATION, THE INSURANCE
18 PRODUCER WHO WRITES BAIL BONDS SHALL COMMIT TO WRITING, SIGN,
19 DATE, AND OBTAIN THE DEFENDANT'S OR INDEMNITOR'S SIGNATURE ON AN
20 ARRANGEMENT FOR THE PAYMENT OF ALL OR PART OF THE PREMIUM,
21 COMMISSION, OR FEE, INCLUDING THE PAYMENT SCHEDULE. THE
22 SIGNATURE OF THE INSURANCE PRODUCER WHO WRITES BAIL BONDS IS NOT
23 AN OBLIGATION TO PAY ANY DEBT OWED TO A LENDER. TO BE
24 ENFORCEABLE, INTEREST AND FINANCIAL CHARGES ON ANY UNPAID
25 PREMIUM MUST COMPLY WITH THE "UNIFORM CONSUMER CREDIT CODE",
26 ARTICLES 1 TO 9 OF TITLE 5, C.R.S.
- 27 (b) BEFORE ACCEPTING CONSIDERATION OR TAKING COLLATERAL,

1 THE INSURANCE PRODUCER WHO WRITES BAIL BONDS SHALL PROVIDE, IN
2 A FORM PRESCRIBED BY THE COMMISSIONER, A DISCLOSURE STATEMENT
3 TO EACH DEFENDANT AND INDEMNITOR DETAILING THE TERMS OF THE BAIL
4 BOND.

5 (3) (a) AN INSURANCE PRODUCER WHO POSTS A BAIL BOND WITH
6 THE COURT AND WHO ACCEPTS CONSIDERATION FOR A BAIL BOND OR
7 UNDERTAKING SHALL, FOR EACH PAYMENT RECEIVED, PROVIDE TO THE
8 PERSON TENDERING PAYMENT A PRENUMBERED, SIGNED RECEIPT
9 CONTAINING THE FOLLOWING:

10 (I) THE DATE;

11 (II) THE DEFENDANT'S NAME;

12 (III) A DESCRIPTION OF THE CONSIDERATION AND AMOUNT OF
13 MONEY RECEIVED;

14 (IV) THE PURPOSE FOR WHICH IT WAS RECEIVED;

15 (V) THE NUMBER OF ANY POWER-OF-ATTORNEY FORM ATTACHED
16 TO THE BAIL BOND;

17 (VI) THE PENAL SUM OF THE BAIL BOND;

18 (VII) THE NAME OF THE PERSON TENDERING PAYMENT; AND

19 (VIII) THE TERMS UNDER WHICH THE MONEY OR OTHER
20 CONSIDERATION IS RELEASED.

21 (b) THE INSURANCE PRODUCER WHO POSTS A BAIL BOND WITH THE
22 COURT SHALL "PROVIDE THE PERSON TENDERING PAYMENT A SIGNED AND
23 DATED RECEIPT FOR EACH PREMIUM PAYMENT LISTING THE AMOUNT PAID.

24 (4) THE INSURANCE PRODUCER SHALL PREPARE OR EXECUTE
25 SEPARATE AGREEMENTS AND DOCUMENTS FOR EACH TIME THE PRODUCER
26 POSTS A BAIL BOND WITH THE COURT. THE PRODUCER SHALL GIVE THE
27 INDEMNITOR A COPY OF EACH DOCUMENT EXECUTED IN THE COURSE OF

1 THE BAIL BOND TRANSACTION.

2 (5) FOR THREE YEARS AFTER THE DATE OF DISCHARGE OF A BAIL
3 BOND AND RETURN OF ANY COLLATERAL OR PROOF OF NOTICE TO THE
4 DEFENDANT OR INDEMNITOR THAT ANY PROMISSORY NOTE HAS BEEN
5 SATISFIED, THE INSURANCE PRODUCER WHO POSTS THE BAIL BOND WITH
6 THE COURT SHALL KEEP AT THE PRODUCER'S BUSINESS COPIES OF EACH
7 RECEIPT, INDEMNITY AGREEMENT, BOND, DISCLOSURE STATEMENT,
8 PAYMENT PLAN, BOND REVOCATION REQUEST, OR OTHER DOCUMENT OR
9 INFORMATION RELATED TO THE BOND TRANSACTION THE COMMISSIONER
10 REASONABLY REQUIRES BY RULE AND SHALL MAKE THESE DOCUMENTS
11 AVAILABLE FOR INSPECTION BY THE COMMISSIONER OR THE
12 COMMISSIONER'S AUTHORIZED REPRESENTATIVE DURING NORMAL
13 BUSINESS HOURS.

14 (6) THE INDEMNITOR MAY BE THE DEFENDANT.

15 (7) THE COMMISSIONER MAY EXAMINE THE BUSINESS PRACTICES,
16 BOOKS, AND RECORDS OF ANY INSURANCE PRODUCER AS OFTEN AS THE
17 COMMISSIONER DEEMS APPROPRIATE.

18 **10-2-706. Insurance producer designee - responsibility.** AN
19 INSURANCE PRODUCER MAY USE ANOTHER PROPERLY LICENSED AND
20 APPOINTED INSURANCE PRODUCER AS AN AGENT TO COMPLY WITH THE
21 REQUIREMENTS OF THIS SECTION, BUT THE INSURANCE PRODUCER WHO
22 POSTS THE BAIL BOND WITH THE COURT IS RESPONSIBLE FOR COMPLIANCE
23 WITH THIS SECTION AND IS SUBJECT TO DISCIPLINE FOR NONCOMPLIANCE
24 WITH ANY PROVISION OF THIS SECTION.

25 **10-2-707. Business practices - price limits - collateral.** (1) AN
26 INSURANCE PRODUCER WHO WRITES BAIL BONDS SHALL NOT CHARGE A
27 PREMIUM OR COMMISSION OF MORE THAN THE GREATER OF FIFTY DOLLARS

1 OR FIFTEEN PERCENT OF THE AMOUNT OF BAIL FURNISHED. AN INSURANCE
2 PRODUCER WHO WRITES BAIL BONDS SHALL NOT ASSESS FEES FOR ANY
3 BAIL BOND POSTED BY THE PRODUCER WITH THE COURT UNLESS THE FEE
4 IS FOR PAYMENT OF A BAIL BOND FILING CHARGED BY A COURT OR LAW
5 ENFORCEMENT AGENCY, THE FEE IS FOR THE ACTUAL COST OF STORING
6 COLLATERAL IN A SECURE, SELF-SERVICE PUBLIC STORAGE FACILITY, OR
7 THE FEE IS FOR PREMIUM FINANCING.

8 (2) IF AN INSURANCE PRODUCER WHO POSTS THE BAIL BOND WITH
9 THE COURT HAS ISSUED A DISCLOSURE STATEMENT IN ACCORDANCE WITH
10 SECTION 10-2-705 (2)(b), THE PRODUCER MAY USE COLLATERAL RECEIVED
11 FROM THE DEFENDANT OR INDEMNITOR TO SECURE THE FOLLOWING
12 OBLIGATIONS:

13 (a) COMPLIANCE WITH THE BOND ISSUED ON BEHALF OF THE
14 PRINCIPAL;

15 (b) ANY BALANCE DUE ON THE PREMIUM, COMMISSION, OR FEE FOR
16 THE BAIL BOND; AND

17 (c) ANY ACTUAL COSTS INCURRED BY THE INSURANCE PRODUCER
18 AS A RESULT OF ISSUING THE BAIL BOND.

19 **SECTION 17.** In Colorado Revised Statutes, 10-2-801, **amend**
20 **(1) (c); and add** (1) (q) as follows:

21 **10-2-801. Licenses - denial, suspension, revocation,**
22 **termination - reporting of actions - definitions.** (1) The commissioner
23 may place an insurance producer on probation; suspend, revoke, or refuse
24 to issue, continue, or renew an insurance producer license; order
25 restitution to be paid from an insurance producer; or assess a civil penalty
26 pursuant to section 10-2-804 or 10-3-1108, if, after notice to the insurance
27 producer licensee and after a hearing held in accordance with sections

1 24-4-104 and 24-4-105, C.R.S., the commissioner finds that as to the
2 licensee or applicant any one or more of the following conditions exist:

3 (c) Violation of, or noncompliance with, SECTION 18-13-130,
4 C.R.S., OR any insurance law, or violation of any lawful rule, order, or
5 subpoena of the commissioner or of the insurance department of another
6 state;

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

12 **SECTION 18.** In Colorado Revised Statutes, 10-3-101, **amend**
13 (2) as follows:

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

1 subsection (2) may be in an electronic format.

2 **SECTION 19.** In Colorado Revised Statutes, **amend** 10-3-103 as
3 follows:

4 **10-3-103. Names of companies.** No domestic insurance company
5 shall adopt the name of any existing company transacting a similar
6 business nor any name so similar as to be calculated to mislead the public,
7 but any domestic mutual or mutual assessment insurance company, upon
8 complying with the terms and conditions of this title (except article 15),
9 ~~article 7 of title 12~~, and article 14 of title 24, C.R.S., may be reorganized
10 and reincorporated as a joint stock company under the same name by
11 which it was incorporated as a mutual or assessment company, with the
12 omission of the word "mutual", and it is unlawful for any other company
13 to be incorporated or transact business under or by the name under which
14 any such mutual or mutual assessment company was operating at the time
15 of reincorporation.

16 **SECTION 20.** In Colorado Revised Statutes, **amend** 10-3-104 as
17 follows:

18 **10-3-104. Unauthorized companies - penalties.** Except for
19 reinsurance by an authorized insurer or insurance effected pursuant to the
20 provisions of article 5 or article 15 of this title, it is unlawful for any
21 person, company, or corporation in this state to procure, receive, or
22 forward applications for insurance in, or to issue or to deliver policies for,
23 any company not legally authorized to do business in this state, as
24 provided in this title ~~article 7 of title 12~~, and article 14 of title 24, C.R.S.
25 Any person violating the provisions of this section commits a class 1
26 misdemeanor and shall be punished as provided in section 18-1.3-501,
27 C.R.S.

1 **SECTION 21.** In Colorado Revised Statutes, **amend** 10-3-108 as
2 follows:

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

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

22 **10-3-111. Violations - penalty.** Except for violations of section
23 10-3-104 or article 15 of this title, any officer, director, stockholder,
24 attorney, or agent of any corporation or association who violates any of
25 the provisions of this title ~~article 7 of title 12~~, and article 14 of title 24,
26 C.R.S., who participates in or aids, abets, or advises or consents to any
27 such violation, and any person who solicits or knowingly receives any

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

17 **SECTION 23.** In Colorado Revised Statutes, 10-3-113, **amend**
18 (2) as follows:

19 **10-3-113. Increase of capital.** (2) The provisions of this title
20 (except article 15) ~~article 7 of title 12,~~ and article 14 of title 24, C.R.S.,
21 ~~shall~~ also apply in the formation and authorization of domestic insurance
22 companies formed upon the mutual plan, and to associations formed upon
23 the assessment plan, that are organized with a guaranty fund in lieu of
24 capital as provided in said references.

25 **SECTION 24.** In Colorado Revised Statutes, 10-3-123, **amend**
26 (2), (5), and (7) as follows:

27 **10-3-123. Assessment accident associations.** (2) Twenty-five or

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

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

1 certificates and applications therefor, for approval by the commissioner,
2 and a sworn statement from the proper officers of such corporation that
3 they have received a copy of this section, and shall be governed thereby
4 in issuing policies or certificates in this state. The commissioner may
5 thereupon issue or renew the authority of such corporation to do business
6 in this state.

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

16 **SECTION 25.** In Colorado Revised Statutes, 10-3-201, **amend**
17 (2) as follows:

18 **10-3-201. Cash capital - guaranty fund - deposit.** (2) The cash
19 or securities representing the minimum capital or guaranty fund and
20 surplus required by paragraph (a) of subsection (1) of this section shall be
21 deposited, in the case of domestic companies, with the commissioner in
22 the manner provided by law and, in the case of foreign or alien
23 companies, with the commissioner or with the duly authorized officer of
24 some other state of the United States; except that the guaranty fund of
25 mutual companies shall be construed to include deposits held for the
26 benefit of policyholders as provided in this title (except article 15) ~~article~~
27 ~~7 of title 12, C.R.S.~~, and article 14 of title 24, C.R.S.

1 **SECTION 26.** In Colorado Revised Statutes, 10-3-206, **amend**
2 (1) as follows:

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

13 **SECTION 27.** In Colorado Revised Statutes, 10-3-208, **amend**
14 (1) as follows:

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

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

12 **SECTION 28.** In Colorado Revised Statutes, 10-3-209, **amend**
13 (1) (c) as follows:

14 **10-3-209. Tax on premiums collected - exemptions - penalties.**

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

26 **SECTION 29.** In Colorado Revised Statutes, 10-3-213, **amend**
27 (1) as follows:

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

19 **SECTION 30.** In Colorado Revised Statutes, **amend** 10-3-214 as
20 follows:

21 **10-3-214. Quantitative investment limitations - manner of**
22 **applying.** In applying the investment limitations set forth in this part 2,
23 which are expressed as percentages of a company's admitted assets, there
24 shall be used as a base the total of all assets of the company that would be
25 admitted under this title (except article 15) ~~article 7 of title 12~~; and article
26 14 of title 24, C.R.S., without regard to such limitations and without
27 regard to any condition or restriction set forth in section 10-3-237 (2), and

1 asset values will be those values determined at the current annual
2 statement date or, in case of any statement or examination as of a date
3 other than an annual statement date, those values determined at such other
4 date. In applying any investment limitation set forth in this part 2, which
5 is expressed as a percentage of a company's surplus, the amount of the
6 company's surplus shall be that determined at the current annual statement
7 date or, in the case of any statement or examination as of a date other than
8 an annual statement date, the amount determined at such other date.

9 **SECTION 31.** In Colorado Revised Statutes, 10-3-230, **amend**
10 (1) introductory portion as follows:

11 **10-3-230. Additional investments.** (1) Domestic insurance
12 companies may invest in any additional investments, except items
13 specifically defined as nonadmitted assets in this title (except article 15)
14 ~~article 7 of title 12~~; and article 14 of title 24, C.R.S., without regard to any
15 limitation, condition, restriction, or exclusion set forth in sections
16 10-3-215 to 10-3-229 and 10-3-242, and regardless of whether the same
17 or a similar type of investment has been included in or omitted from any
18 such section, subject to the following provisions:

19 **SECTION 32.** In Colorado Revised Statutes, 10-3-235, **amend**
20 (2) and (4) as follows:

21 **10-3-235. Certain admitted assets deemed securities for**
22 **deposit purposes.** (2) For purposes of optional reserve deposits
23 permitted by section 10-7-101 (3) or other deposits permitted but not
24 required by this title (except article 15) ~~article 7 of title 12~~; and article 14
25 of title 24, C.R.S., the following admitted assets, in addition to those
26 referred to in subsection (1) of this section, shall be deemed to be
27 securities eligible for such deposits: Any asset qualified as an admitted

1 asset under section 10-3-220 or 10-3-226 to 10-3-228, and any life
2 insurance policy, to the extent of the company's interest in the cash value
3 thereof.

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

11 **SECTION 33.** In Colorado Revised Statutes, **amend** 10-3-236 as
12 follows:

13 **10-3-236. Assets acquired through merger, consolidation, or**
14 **reinsurance.** Any investments acquired after May 31, 1969, through
15 merger, consolidation, or reinsurance that are not admitted assets under
16 this title (except article 15) ~~article 7 of title 12~~, and article 14 of title 24,
17 C.R.S., shall not be deemed admitted assets by reason of their acquisition
18 through merger, consolidation, or reinsurance.

19 **SECTION 34.** In Colorado Revised Statutes, 10-3-237, **amend**
20 (2) as follows:

21 **10-3-237. Assets acquired under prior law.**

22 (2) Notwithstanding any other provision of this title (except article 15)
23 ~~article 7 of title 12~~, and article 14 of title 24, C.R.S., any asset held by a
24 company on May 31, 1969, that is not an admitted asset under section
25 10-1-102 (2) or subsection (1) of this section and that did not meet the
26 requirements of the law in effect immediately prior to such date for an
27 investment of the company's reserves, paid-up capital stock, and other

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

7 **SECTION 35.** In Colorado Revised Statutes, **amend** 10-3-238 as
8 follows:

9 **10-3-238. Refunds.** Whenever it appears to the satisfaction of the
10 commissioner that, because of some mistake of fact, error in calculation,
11 or erroneous interpretation of a statute of this or any other state, any
12 insurer or other person engaged in the business of insurance in this state
13 has paid to the commissioner or to the state of Colorado, pursuant to any
14 provision of this title (except article 15) ~~article 7 of title 12~~, and article 14
15 of title 24, C.R.S., any taxes, fees, or other charges in excess of the
16 amount legally chargeable against said insurer or other person during the
17 one-year period immediately preceding the discovery of such
18 overpayment, the commissioner has the authority to refund to such insurer
19 or other person the amount of such excess by applying the amount thereof
20 toward the payment of taxes, fees, or other charges already due, or that
21 may thereafter become due, from such insurer or other person until such
22 excess has been fully refunded; or, at the commissioner's discretion, the
23 commissioner may make a cash refund thereof.

24 **SECTION 36.** In Colorado Revised Statutes, 10-3-903, **amend**
25 (1) introductory portion; and **add** (1) (j), (1) (k), and (2) (l) as follows:

26 **10-3-903. Definition of transacting insurance business.** (1) Any
27 of the following acts in this state, effected by mail or otherwise, by an

1 unauthorized insurer constitute transacting insurance business in this state
2 as such THE term is used in section 10-3-105:

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

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

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

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

20 **SECTION 37.** In Colorado Revised Statutes, 10-3-1104, **add** (1)
21 (mm), (1) (nn), (1) (oo), (1) (pp), and (1) (qq) as follows:

22 **10-3-1104. Unfair methods of competition - unfair or deceptive**
23 **acts or practices.** (1) The following are defined as unfair methods of
24 competition and unfair or deceptive acts or practices in the business of
25 insurance:

26 (mm) PAYING A FEE OR REBATE OR GIVING OR PROMISING
27 ANYTHING OF VALUE TO A JAILER, PEACE OFFICER, CLERK, DEPUTY CLERK,

1 AN EMPLOYEE OF A COURT, DISTRICT ATTORNEY OR DISTRICT ATTORNEY'S
2 EMPLOYEES, OR A PERSON WHO HAS POWER TO ARREST OR TO HOLD A
3 PERSON IN CUSTODY AS A RESULT OF WRITING A BAIL BOND.

4 (nn) UNLESS THE INDEMNITOR CONSENTS IN WRITING OTHERWISE,
5 FAILURE TO POST A BAIL BOND WITHIN TWENTY-FOUR HOURS AFTER
6 RECEIPT OF FULL PAYMENT OR A SIGNED CONTRACT FOR PAYMENT, AND IF
7 THE BAIL BOND IS NOT POSTED WITHIN TWENTY-FOUR HOURS AFTER
8 RECEIPT OF FULL PAYMENT OR A SIGNED CONTRACT FOR PAYMENT,
9 FAILURE TO REFUND ALL MONEYS RECEIVED, RELEASE ALL LIENS, AND
10 RETURN ALL COLLATERAL WITHIN SEVEN DAYS AFTER RECEIPT OF GOOD
11 FUNDS.

12 (oo) FAILURE TO REPORT, PRESERVE WITHOUT USE, RETAIN
13 SEPARATELY, OR RETURN AFTER PAYMENT IN FULL, COLLATERAL TAKEN
14 AS SECURITY ON ANY BAIL BOND TO THE PRINCIPAL, INDEMNITOR, OR
15 DEPOSITOR OF THE COLLATERAL;

16 (pp) SOLICITING BAIL BOND BUSINESS IN OR ABOUT ANY PLACE
17 WHERE PRISONERS ARE CONFINED, ARRAIGNED, OR IN CUSTODY; OR

18 (qq) FAILURE TO PAY A FINAL, NONAPPEALABLE JUDGMENT
19 AWARD FOR FAILURE TO RETURN OR REPAY COLLATERAL RECEIVED TO
20 SECURE A BOND.

21 **SECTION 38.** In Colorado Revised Statutes, 10-12-105, **amend**
22 (1) as follows:

23 **10-12-105. Guaranty fund of mutual companies.** (1) Guaranty
24 fund certificates may be issued to provide a guaranty fund for domestic
25 life and fire insurance companies incorporated upon the mutual plan and
26 for domestic casualty insurance associations incorporated upon the
27 assessment plan, such fund to be held as security for the payment of all

1 losses and other policy liabilities of such companies. Guaranty fund
2 certificates may draw interest or dividends not exceeding in the aggregate
3 eight percent per annum, which shall only be paid from the profits of the
4 company. The certificates may only be retired or redeemed by using the
5 profits of the company for that purpose, but the full fund as required of
6 each kind of mutual and assessment company by this title (except article
7 15), ~~article 7 of title 12~~, and article 14 of title 24, C.R.S., shall at all times
8 be maintained. Such guaranty fund shall be a liability until redeemed or
9 retired. It shall only be used to pay policy claims or liabilities when the
10 contingent mutual liability of the policyholders has been drawn upon and
11 found insufficient to meet the losses of policy claims or when the
12 directors for any cause fail to provide for the payment of policy claims.

13 **SECTION 39.** In Colorado Revised Statutes, **amend** 10-12-106
14 as follows:

15 **10-12-106. Fees of mutual companies.** Mutual and assessment
16 companies, unless otherwise specified in this title (except article 15),
17 ~~article 7 of title 12~~, and article 14 of title 24, C.R.S., are required to pay
18 the same fees and be under the same supervision and authority of the
19 commissioner as companies that are engaged in the same kind of
20 insurance business and that are organized upon the joint-stock plan, and
21 they shall comply with the general laws of this title, unless otherwise
22 specified, and be subject to the penalties provided therein.

23 **SECTION 40.** In Colorado Revised Statutes, **repeal** article 7 of
24 title 12.

25 **SECTION 41.** In Colorado Revised Statutes, **add with amended**
26 **and relocated provisions** article 23 to title 10 as follows:

27 **ARTICLE 23**

Cash Bonding Agents

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

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

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

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

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

~~(2.5) "Compensated surety" means any person in the business of writing bail appearance bonds who is subject to regulation by the~~

1 Colorado division of insurance, including bonding agents and bail
2 insurance companies. Nothing in this subsection (2.5) shall be construed
3 to authorize bail insurance companies to write bail bonds except through
4 licensed bail bonding agents.

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

6 (4) (Deleted by amendment, L. 96, p. 1177, § 1, effective June 1,
7 1996.)

8 (5) Repealed.

9 (6) (2) "On the board" means that the name of a compensated
10 surety THE PERSON has been publicly posted or disseminated by a court as
11 being ineligible to write bail bonds pursuant to UNDER section 16-4-112
12 (5) (e) or (5) (f), C.R.S.

13 (7) (3) "Professional cash-bail agent" means a person who is an
14 authorized FURNISHES bail bond agent who furnishes bail for
15 compensation in any court or courts in this state in connection with
16 judicial proceedings and who is not a BY POSTING A BOND WITH THE
17 DIVISION. "PROFESSIONAL CASH-BAIL AGENT" DOES NOT MEAN A full-time
18 salaried officer or employee of an insurer nor a person who pledges
19 United States currency, a United States postal money order, a cashier's
20 check, or other property in connection with a judicial proceeding, whether
21 for compensation or otherwise.

22 **10-23-102. [Formerly 12-7-102] Registration required -**
23 **qualifications - enforcement.** (1) No person can qualify QUALIFIES to be
24 a bail bonding agent unless such person is a licensed insurance producer
25 appointed to represent an insurance company or is a licensed, professional
26 cash-bail agent under article 2 of title 10, C.R.S. UNLESS THE PERSON
27 REGISTERS WITH THE DIVISION. However, any bail bonding agent who was

1 licensed by the division as of January 1, 1992, to write bail bonds as a
2 cash-bonding agent shall be permitted to MAY continue such licensure TO
3 BE REGISTERED upon compliance with the other requirements of this
4 article.

5 (2) No firm, partnership, association, or corporation, as such, shall
6 be licensed REGISTERED. No person engaged as a law enforcement or
7 judicial officer shall be licensed REGISTERED as a bonding agent
8 CASH-BONDING AGENT OR PROFESSIONAL CASH-BAIL AGENT.

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

11 (c) to (e) (Deleted by amendment, L. 95, p. 280, § 2, effective July
12 1, 1995.)

13 (3) (a) ~~The division is vested with the authority to enforce the~~
14 ~~provisions of this article. The division shall have authority to make~~
15 ~~investigations and promulgate such rules and regulations as may be~~
16 ~~necessary for the enforcement of this article.~~ ALL REGISTRATIONS EXPIRE
17 IN ACCORDANCE WITH A SCHEDULE ESTABLISHED BY THE COMMISSIONER,
18 AND THE REGISTRANT SHALL RENEW OR REINSTATE THE REGISTRATION IN
19 ACCORDANCE WITH THE RULES OF THE COMMISSIONER. IF THE
20 COMMISSIONER SCHEDULES A REGISTRATION TO EXPIRE FOR LONGER OR
21 SHORTER THAN A YEAR, THE FEE FOR THE COMMISSIONER SHALL
22 PROPORTIONALLY ADJUST THE RENEWAL FEE FOR THE REGISTRATION. THE
23 REGISTRANT MUST SATISFY ALL REGISTRATION AND RENEWAL
24 REQUIREMENTS TO QUALIFY TO REGISTER.

25 (b) THE COMMISSIONER SHALL GIVE A REGISTRANT A SIXTY-DAY
26 GRACE PERIOD TO RENEW THE REGISTRATION WITHOUT DISCIPLINE OR
27 SANCTIONS. THE COMMISSIONER MAY ESTABLISH RENEWAL FEES AND

1 DELINQUENCY FEES FOR REINSTATEMENT BY RULE. IF A PERSON FAILS TO
2 RENEW A REGISTRATION WHEN REQUIRED BY THE SCHEDULE ESTABLISHED
3 BY THE COMMISSIONER, THE REGISTRATION EXPIRES.

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

12 (5) The division shall prepare and deliver to each licensee
13 REGISTRANT a pocket card showing the name, address, and classification
14 of ~~such licensee~~ Such THE REGISTRANT. THE pocket card shall MUST
15 clearly state that such THE person is a ~~licensed bonding agent~~
16 AUTHORIZED TO PRACTICE AS A CASH-BONDING AGENT OR PROFESSIONAL
17 CASH-BAIL AGENT.

18 (6) (a) ~~The division shall notify each bail bonding agent in writing~~
19 ~~on an annual basis regarding changes to the state laws regarding the~~
20 regulation of bail bonding agents. EACH PROFESSIONAL CASH-BAIL AGENT
21 AND CASH-BONDING AGENT SHALL SUBMIT AN ANNUAL REPORT IN A
22 FORMAT REQUIRED BY THE DIVISION COVERING JULY 1 TO JUNE 30, NO
23 LATER THAN OCTOBER 1 OF THE FOLLOWING YEAR, FOR BAIL BONDS
24 POSTED IN COLORADO BY THE AGENT DURING THE REPORTING PERIOD:

- 25 (I) THE NUMBER OF BAIL BONDS POSTED WITH A COURT;
- 26 (II) THE NUMBER OF BAIL BONDS DISCHARGED BY A COURT;
- 27 (III) THE NUMBER OF BAIL BONDS DISCHARGED BY A COURT FOR

1 WHICH THE DEFENDANT APPEARED FOR ALL SCHEDULED COURT
2 APPEARANCES FOR THE DURATION OF THE BOND; _____

3 (IV) THE NUMBER OF BAIL BONDS DISCHARGED BY A COURT FOR
4 WHICH THE DEFENDANT'S BOND WAS REVOKED BY A COURT AT THE
5 REQUEST OF THE AGENT FOR ANY REASON OTHER THAN FAILURE TO
6 APPEAR;

7 (V) THE NUMBER OF BAIL BONDS DISCHARGED BY A COURT FOR
8 WHICH THE DEFENDANT'S BOND WAS REVOKED BY A COURT AT THE
9 REQUEST OF THE AGENT BECAUSE THE DEFENDANT WAS CHARGED WITH
10 A NEW CRIMINAL OFFENSE ALLEGED TO HAVE BEEN COMMITTED DURING
11 THE DURATION OF THE BOND; AND

12 (VI) THE NUMBER OF BAIL BONDS POSTED BY THE AGENT FOR A
13 DEFENDANT DURING THE TIME THE DEFENDANT WAS COVERED BY
14 ANOTHER BOND POSTED BY THE AGENT FOR ANOTHER CRIMINAL CASE.

15 (b) IF, DURING THE REPORTING PERIOD FROM JULY 1, 2012, TO
16 JUNE 30, 2013, OR ANY YEAR THEREAFTER, THE PROFESSIONAL CASH-BAIL
17 AGENT OR CASH-BONDING AGENT, THE STATE JUDICIAL DEPARTMENT,
18 REPRESENTATIVES OF LAW ENFORCEMENT, AND REPRESENTATIVES OF
19 COUNTY GOVERNMENT COMPLETE THE DESIGN OF AN INSTRUMENT,
20 SYSTEM, OR OTHER METHOD OF PROPER VERIFICATION OF THE ACTIONS OF
21 AN AGENT IN RETURNING THE DEFENDANT TO CUSTODY OR TO THE COURT
22 FOR FURTHER PROCEEDINGS FOLLOWING A FAILURE TO APPEAR ON A
23 POSTED BOND, THEN THE AGENT MAY REPORT THE FOLLOWING:

24 (I) THE NUMBER OF DEFENDANTS WHO WERE RETURNED TO COURT
25 THROUGH THE ACTIONS OF THE PROFESSIONAL CASH-BAIL AGENT OR
26 CASH-BONDING AGENT OR THE AGENTS THEREOF AFTER FAILURE TO
27 APPEAR;

1 (II) THE NUMBER OF DEFENDANTS WHO WERE RETURNED TO
2 CUSTODY BY ACTION OF THE PROFESSIONAL CASH-BAIL AGENT OR
3 CASH-BONDING AGENT OR THE AGENTS THEREOF AFTER FAILURE TO
4 APPEAR; AND

5 (III) THE NUMBER OF CONSENTS OF SURETY FILED WITH THE COURT
6 TO CONTINUE THE BOND AFTER FAILURE TO APPEAR.

7 (c) IN THE ANNUAL REPORT REQUIRED BY THIS SECTION, THE
8 PROFESSIONAL CASH-BAIL AGENT OR CASH-BONDING AGENT SHALL SIGN
9 AND AFFIRM THE INFORMATION SUBMITTED IS TRUE AND ACCURATE TO
10 THE BEST OF THE AGENT'S KNOWLEDGE.

11 (d) THIS SUBSECTION (6) IS REPEALED, EFFECTIVE JULY 1, 2015.

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13 **10-23-103. [Formerly 12-7-103] Registration requirements -**
14 **application - qualification bond - forfeiture.** (1) ~~Any person desiring~~
15 ~~to engage in the business of bail bonding agent in this state~~ AN APPLICANT
16 FOR REGISTRATION AS A PROFESSIONAL CASH-BAIL AGENT shall supply the
17 following information to the division:

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

20 (b) ~~Repealed.~~

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

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

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

7 ~~(1.5) (a) (2) Prior to submission of an application UNDER THIS~~
8 ~~ARTICLE, each applicant shall have his or her fingerprints taken by a local~~
9 ~~law enforcement agency for the purpose of obtaining TO OBTAIN a~~
10 ~~fingerprint-based criminal history record check. The applicant is required~~
11 ~~to submit payment by certified check or money order for the fingerprints~~
12 ~~and for the actual costs of said THE record check at the time WHEN the~~
13 ~~fingerprints are submitted to the Colorado bureau of investigation. Upon~~
14 ~~receipt of fingerprints and receipt of the payment for costs, the Colorado~~
15 ~~bureau of investigation shall conduct a state and national~~
16 ~~fingerprint-based criminal history record check utilizing records of the~~
17 ~~Colorado bureau of investigation and the federal bureau of investigation.~~

18 ~~(b) For purposes of this subsection (1.5), "applicant" shall include~~
19 ~~any:~~

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

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

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

25 ~~(2) (Deleted by amendment, L. 96, p. 1179, § 4, effective June 1,~~
26 ~~1996.)~~

27 ~~(3) (a) Each applicant who is to be authorized as a cash bonding~~

1 agent pursuant to section 12-7-102 (1) shall be required to post a
2 qualification bond in the amount of fifty thousand dollars with the
3 division. The bond shall be to the people of the state of Colorado in favor
4 of any court in this state, whether municipal, county, district, or other
5 court. Any qualification bond for a cash bail bonding agent shall also be
6 to the commissioner and the division to fulfill the purposes of this section.
7 In the event of a forfeiture of a cash bonding agent's qualification bond,
8 the division shall have priority over all other claimants to such bond. Such
9 bond shall be conditioned upon full and prompt payment into the court
10 ordering such bond forfeited. Bail bonding agents authorized as cash
11 bonding agents pursuant to section 12-7-102 (1) may only issue bonds in
12 accordance with the provisions of section 16-4-104 (1) (b) (III), C.R.S.
13 In the event of a qualification bond forfeiture, a cash bonding agent shall
14 be prohibited from writing new bail bonds until the qualification bond is
15 restored to fifty thousand dollars.

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

1 ~~cash bonding agent have been certified as paid or vacated by order of a~~
2 ~~court of record and another qualification bond in the required amount is~~
3 ~~posted with the division.~~

4 (c) ~~If the name of a bail bonding agent, other than a cash bonding~~
5 ~~agent, is placed on the board pursuant to section 16-4-112 (5) (e), C.R.S.,~~
6 ~~and remains on the board for the same forfeiture for more than forty-five~~
7 ~~consecutive days, the court that placed the name of the bail bonding agent~~
8 ~~on the board shall order the division to suspend the license of said bail~~
9 ~~bonding agent, after hearing pursuant to section 10-2-801, C.R.S., until~~
10 ~~such time as all forfeitures and judgments ordered and entered against~~
11 ~~said bail bonding agent have been certified as paid or vacated by order of~~
12 ~~a court of record. If the bail forfeiture judgment is not paid within fifteen~~
13 ~~days after the name of a bail insurance company has been placed on the~~
14 ~~board pursuant to section 16-4-112 (5) (f), C.R.S., the division shall also~~
15 ~~order the bail insurance company on the bond to pay the judgment after~~
16 ~~notice and hearing pursuant to sections 24-4-104 and 24-4-105, C.R.S.~~

17 ~~(4) to (7) (Deleted by amendment, L. 96, p. 1179, § 4, effective~~
18 ~~June 1, 1996.)~~

19 (8) (a) ~~Each applicant who is to be authorized as a professional~~
20 ~~cash bail agent pursuant to section 12-7-102 (1) shall be required to post~~
21 ~~a qualification bond in the amount of no less than fifty thousand dollars~~
22 ~~with the division. The bond shall be to the people of the state of Colorado~~
23 ~~in favor of any court in this state, whether municipal, county, district, or~~
24 ~~other court. Any qualification bond for a professional cash bail agent shall~~
25 ~~also be to the commissioner and the division to fulfill the purposes of this~~
26 ~~section. A professional cash bail agent shall not furnish a single bail~~
27 ~~greater than twice the amount of the bond posted with the division. In the~~

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

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

26 (3) [Formerly 12-7-102.5 (7)] The TO QUALIFY AS A professional
27 cash bonding agent, shall be THE APPLICANT MUST HAVE BEEN licensed as

1 a ~~bail bonding agent~~ AN INSURANCE PRODUCER WHO FURNISHES BAIL in
2 Colorado for four years ~~prior to~~ BEFORE applying for licensure
3 REGISTRATION as a professional cash bail agent.

4 **10-23-104. Fees.** (1) (a) EACH PROFESSIONAL CASH-BAIL AGENT
5 AND CASH-BONDING AGENT SHALL PAY AN APPLICATION FEE SET BY THE
6 DIVISION IN AN AMOUNT TO OFFSET THE DIRECT AND INDIRECT COST OF
7 PROCESSING REGISTRATION APPLICATIONS AND ISSUING A REGISTRATION.

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

13 (c) EACH PROFESSIONAL CASH-BAIL AGENT AND CASH-BONDING
14 AGENT SHALL PAY TO THE DIVISION A FEE OF ONE PERCENT ON THE GROSS
15 AMOUNT OF ALL PREMIUMS AND FEES COLLECTED OR CONTRACTED FOR
16 THE FURNISHING OF BAIL, LESS ANY PREMIUM OR FEE REFUNDED AFTER
17 BEING COLLECTED. THE DIVISION MAY LOWER THE FEE IF THE AMOUNT
18 COLLECTED WOULD EXCEED THE AMOUNT NEEDED TO IMPLEMENT THIS
19 ARTICLE PLUS A RESERVE OF SIXTEEN AND ONE-HALF PERCENT.

20 (d) THE PREMIUM FEE IS DUE AND PAYABLE ON THE FIFTEENTH DAY
21 OF JANUARY IN EACH YEAR. ANY PROFESSIONAL CASH-BAIL AGENT OR
22 CASH-BONDING AGENT FAILING OR REFUSING TO RENDER A STATEMENT
23 AND INFORMATION, OR TO PAY THE FEE UNDER THIS SECTION, FOR MORE
24 THAN THIRTY DAYS AFTER THE TIME SPECIFIED, IS LIABLE FOR A PENALTY
25 OF UP TO ONE HUNDRED DOLLARS FOR EACH ADDITIONAL DAY OF
26 DELINQUENCY. THE DIVISION MAY ASSESS THE PENALTY AND INTEREST AT
27 A RATE OF ONE PERCENT PER MONTH OR FRACTION THEREOF ON THE

1 UNPAID AMOUNT FROM THE DATE WHEN PAYMENT WAS DUE TO THE DATE
2 WHEN FULL PAYMENT IS MADE. THE DIVISION MAY SUSPEND THE
3 REGISTRATION OF A DELINQUENT AGENT UNTIL ANY FEES, PENALTIES, AND
4 INTEREST ARE FULLY PAID.

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

8 (3) FOR THE PURPOSE OF AUDITING A PROFESSIONAL CASH-BAIL
9 AGENT'S OR CASH-BONDING AGENT'S PREMIUM FEE STATEMENT, THE
10 DIVISION MAY EXAMINE ANY BOOKS, PAPERS, RECORDS, AGREEMENTS, OR
11 MEMORANDA BEARING UPON THE MATTERS REQUIRED TO BE INCLUDED IN
12 THE PREMIUM FEE STATEMENT. THE AGENT SHALL MAKE THE BOOKS,
13 PAPERS, RECORDS, AGREEMENTS, OR MEMORANDA AVAILABLE UPON
14 REQUEST TO THE DIVISION.

15 **10-23-105. [Formerly 12-7-103 (3) (a)] Qualification bond -**
16 **forfeiture.** (1) Each applicant who is to be authorized as a cash-bonding
17 agent pursuant to section 12-7-102 (1) shall be required to post a CASH
18 qualification bond in the amount of fifty thousand dollars with the
19 division. The bond shall MUST be to the people of the state of Colorado
20 in favor of any court in this state, whether municipal, county, district, or
21 other court, Any qualification bond for a cash bail bonding agent shall
22 also be to the commissioner and TO the division to fulfill FOR the
23 purposes of this section. In the event of a forfeiture of a cash-bonding
24 agent's qualification bond, the division shall have HAS priority over all
25 other claimants. To such bond. Such COMPLY WITH THIS SUBSECTION (1),
26 THE bond shall MUST be conditioned upon full and prompt payment into
27 the court ordering such THE bond forfeited. Bail bonding agents

1 authorized as Cash-bonding agents pursuant to section 12-7-102(1) may
2 only SHALL NOT issue bonds EXCEPT in accordance with the provisions of
3 section 16-4-104 (1) (b) (III), C.R.S. In the event of a qualification bond
4 forfeiture, a cash-bonding agent shall be prohibited from writing SHALL
5 NOT WRITE new bail bonds until the qualification bond is restored to fifty
6 thousand dollars.

7 (2) [Formerly 12-7-103 (8) (a)] Each applicant who is to be
8 authorized as a professional cash-bail agent pursuant to section 12-7-102
9 (1) shall be required to post a CASH qualification bond in the amount of
10 no less than fifty thousand dollars with the division. The bond shall be to
11 the people of the state of Colorado in favor of any court in this state,
12 whether municipal, county, district, or other court, Any qualification bond
13 for a professional cash bail agent shall also be to the commissioner and
14 TO the division to fulfill FOR the purposes of this section. A professional
15 cash-bail agent shall not furnish a single bail greater than twice the
16 amount of the bond posted with the division. In the event of a forfeiture
17 of a professional cash-bail agent's qualification bond, the division shall
18 have HAS priority over all other claimants to such THE bond. Such TO
19 COMPLY WITH THIS SUBSECTION (2), THE bond shall MUST be conditioned
20 upon full and prompt payment into the court ordering such THE bond
21 forfeited. Bail bonding agents authorized as Professional cash-bail agents
22 pursuant to section 12-7-102(1) may only SHALL NOT issue bonds EXCEPT
23 in accordance with the provisions of section 16-4-104 (1) (b) (III), C.R.S.
24 In the event of a qualification bond forfeiture, a professional cash-bail
25 agent shall be prohibited from writing NOT WRITE new bail bonds until the
26 qualification bond is restored to at least fifty thousand dollars.

27 (3) TO COMPLY WITH THIS SECTION, THE DIVISION MUST BE

1 DESIGNATED AS AN AUTHORIZED SIGNATORY WITH RIGHT OF
2 SURVIVORSHIP ON ANY BANK ACCOUNT, CERTIFICATE OF DEPOSIT,
3 COMMERCIAL INSTRUMENT, OR SECURITY THAT FUNDS THE BOND
4 REQUIRED BY THIS SECTION. THE RIGHT OF SURVIVORSHIP TERMINATES ON
5 THE LATER OF THE DATE ON WHICH ANY LIABILITY COVERED BY THE BOND
6 IS SATISFIED OR RELEASED OR THE THIRD ANNIVERSARY OF THE DEATH OF
7 THE PROFESSIONAL CASH-BAIL AGENT OR CASH-BONDING AGENT. WHEN
8 THE RIGHT OF SURVIVORSHIP TERMINATES, THE DIVISION SHALL RELEASE
9 THE BOND TO THE AGENT'S ESTATE OR, IF THE ESTATE HAS BEEN SETTLED,
10 TO THE HEIRS OF THE AGENT.

11 (4) TO QUALIFY UNDER THIS SECTION:

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

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

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

22 (d) THE PROFESSIONAL CASH-BAIL OR CASH-BONDING AGENT MAY
23 RECEIVE INTEREST THEREON, UNLESS THE PRINCIPAL AMOUNT OF THE
24 QUALIFICATION BOND FALLS BELOW THE REQUIRED FIFTY THOUSAND
25 DOLLARS, IF THE QUALIFICATION BOND IS AN INTEREST-BEARING
26 INSTRUMENT;

27 (e) THE TERMS OF THE LOAN, PROMISSORY NOTE, AND FINANCIAL

1 ARRANGEMENT MUST BE SUBMITTED TO THE DIVISION IF THE
2 QUALIFICATION BOND IS FUNDED BY THE PROCEEDS FROM A LOAN,
3 PROMISSORY NOTE, OR OTHER FINANCIAL ARRANGEMENT; AND

4 (f) THE AGREEMENT MUST TERMINATE AT A FIXED TIME AND ANY
5 RATE OF RETURN IS AN ANNUAL PERCENTAGE RATE AND NOT TIED TO ANY
6 PREMIUM OR COLLATERAL OR ANY OTHER DIRECT FUNCTION FROM WHICH
7 AN AGENT MAKES A PROFIT IF THE QUALIFICATION BOND CONSISTS OF
8 MONEYS FROM A LOAN, PROMISSORY NOTE, OR OTHER FINANCIAL
9 ARRANGEMENT.

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

18 **10-23-106. [Formerly 12-7-106] Discipline - hearing - civil**
19 **penalty.** (1) The division shall MAY deny, suspend, revoke, or refuse to
20 renew as may be appropriate, the license of any person engaged in the
21 business of bail bonding agent for any of the following reasons A
22 REGISTRATION, OR ISSUE A CEASE-AND-DESIST ORDER IN ACCORDANCE
23 WITH THIS SECTION, UPON REASONABLE GROUNDS THAT THE REGISTRANT:

24 (a) Failure of a cash bonding agent or professional cash bail agent
25 FAILED to post a qualified bond in the required amount with the division
26 during the period such person is WHILE engaged in the business within
27 this state or, if such THE bond has been WAS posted, the forfeiture IT WAS

1 FORFEITED or ~~cancellation of such bond~~ CANCELLED;

2 (b) ~~Knowingly failing~~ FAILED to comply with or knowingly
3 ~~violating any provisions of~~ VIOLATED this article or ~~of any proper order~~
4 ~~or rule of the division or any court of this state where the licensee~~
5 ~~REGISTRANT knew or reasonably should have known of the provisions,~~
6 ~~order or rule;~~

7 (c) ~~Any activity prohibited in~~ VIOLATED section ~~12-7-109 (1)~~
8 18-13-130, C.R.S.:

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

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

24 (f) ~~Service of a sentence upon a conviction of a felony in a~~
25 ~~correctional facility, city or county jail, or community correctional facility~~
26 ~~or under the supervision of the state board of parole or any probation~~
27 ~~department within the last ten years~~ CONTINUED TO EXECUTE BAIL BONDS

1 IN ANY COURT IN THIS STATE WHILE ON THE BOARD IF THE BAIL
2 FORFEITURE JUDGMENT THAT RESULTED IN THE REGISTRANT'S BEING
3 PLACED ON THE BOARD HAS NOT BEEN PAID, STAYED, VACATED,
4 EXONERATED, OR OTHERWISE DISCHARGED;

5 ~~(g) Failure to report, to preserve without use and retain separately,~~
6 ~~or to return collateral taken as security on any bond to the principal,~~
7 ~~indemnitor, or depositor of such collateral;~~ FURNISHED BAIL IN ANY
8 COURT IN THIS STATE IN AN AMOUNT GREATER THAN TWICE THE AMOUNT
9 OF THE PROFESSIONAL CASH-BAIL AGENT'S BOND POSTED WITH THE
10 DIVISION;

11 (h) Soliciting business in or about any place where prisoners are
12 confined, arraigned, or in custody FAILURE TO REPORT, PRESERVE
13 WITHOUT USE, RETAIN SEPARATELY, OR RETURN AFTER PAYMENT IN FULL,
14 COLLATERAL TAKEN AS SECURITY ON ANY BAIL BOND TO THE PRINCIPAL,
15 INDEMNITOR, OR DEPOSITOR OF THE COLLATERAL;

16 (i) Failure to pay a final, nonappealable judgment award for
17 failure to return or repay collateral received to secure a bond SOLICITING
18 BAIL BOND BUSINESS IN OR ABOUT ANY PLACE WHERE PRISONERS ARE
19 CONFINED, ARRAIGNED, OR IN CUSTODY;

20 (j) Hiring, contracting with, or paying compensation to any
21 individual for bail recovery services in violation of the provisions of
22 section 12-7-105.5 FAILURE TO PAY A FINAL, NONAPPEALABLE JUDGMENT
23 AWARD FOR FAILURE TO RETURN OR REPAY COLLATERAL RECEIVED TO
24 SECURE A BOND; OR

25 (k) Continuing to execute bail bonds in any court in this state
26 while on the board pursuant to section 16-4-112(5)(e), C.R.S., where the
27 bail forfeiture judgment that resulted in being placed on the board has not

1 ~~been paid, stayed, vacated, exonerated, or otherwise discharged; ANY ACT~~
2 ~~PROHIBITED BY SECTION 18-13-130, C.R.S.~~

3 (1) ~~If a professional cash bail agent furnishes a single bail in any~~
4 ~~court in this state in an amount greater than twice the amount of the~~
5 ~~professional cash bail agent's bond posted with the division.~~

6 (2) ~~If the division denies, suspends, revokes, or refuses to renew~~
7 ~~any such license, the aggrieved person shall be given an opportunity for~~
8 ~~a hearing subject to judicial review as provided in article 4 of title 24,~~
9 ~~C.R.S. EXCEPT FOR THE REASONS LISTED IN PARAGRAPHS (d) AND (e) OF~~
10 ~~SUBSECTION (1) OF THIS SECTION, THE DIVISION, IN LIEU OF REVOKING OR~~
11 ~~SUSPENDING A REGISTRATION, MAY IN ANY ONE PROCEEDING, BY ORDER,~~
12 ~~REQUIRE THE REGISTRANT TO PAY A CIVIL PENALTY IN THE SUM OF NO LESS~~
13 ~~THAN THREE HUNDRED DOLLARS AND NO MORE THAN ONE THOUSAND~~
14 ~~DOLLARS FOR EACH OFFENSE. IF THE REGISTRANT FAILS TO PAY THE~~
15 ~~PENALTY WITHIN TWENTY DAYS AFTER THE MAILING OF THE ORDER,~~
16 ~~POSTAGE PREPAID, REGISTERED AND ADDRESSED TO THE LAST-KNOWN~~
17 ~~PLACE OF BUSINESS OF THE REGISTRANT, THE DIVISION MAY REVOKE THE~~
18 ~~REGISTRATION OR MAY SUSPEND THE REGISTRATION FOR SUCH A PERIOD~~
19 ~~AS THE COMMISSIONER MAY DETERMINE, UNLESS THE ORDER IS STAYED BY~~
20 ~~A COURT OF COMPETENT JURISDICTION. THE DIVISION SHALL TRANSMIT~~
21 ~~THE CIVIL PENALTY TO THE STATE TREASURER, WHO SHALL DEPOSIT IT IN~~
22 ~~THE GENERAL FUND.~~

23 (3) ~~Except for the reasons listed in paragraphs (e) and (f) of~~
24 ~~subsection (1) of this section, the commissioner, in lieu of revoking or~~
25 ~~suspending a license, may in any one proceeding, by order, require the~~
26 ~~licensee to pay to the commissioner, to be deposited in the general fund~~
27 ~~of the state, a civil penalty in the sum of no less than three hundred~~

1 ~~dollars and no more than one thousand dollars for each offense. Upon~~
2 ~~failure of the licensee to pay the penalty within twenty days after the~~
3 ~~mailing of the order, postage prepaid, registered and addressed to the~~
4 ~~last-known place of business of the licensee, the commissioner may~~
5 ~~revoke the license of the licensee or may suspend the license for such~~
6 ~~period as the commissioner may determine, unless the commissioner's~~
7 ~~order is stayed by an order of a court of competent jurisdiction. EXCEPT~~
8 ~~AS OTHERWISE PROVIDED IN THIS SECTION, THE COMMISSIONER NEED NOT~~
9 ~~FIND THAT THE ACTIONS THAT ARE GROUNDS FOR DISCIPLINE WERE~~
10 ~~WILLFUL BUT MAY CONSIDER WHETHER THE ACTIONS WERE WILLFUL WHEN~~
11 ~~DETERMINING THE NATURE OF DISCIPLINARY SANCTIONS TO BE IMPOSED.~~

12 (4) (a) THE COMMISSIONER MAY COMMENCE A PROCEEDING TO
13 DISCIPLINE A REGISTRANT WHEN THE COMMISSIONER HAS REASONABLE
14 GROUNDS TO BELIEVE THAT THE REGISTRANT HAS COMMITTED AN ACT
15 ENUMERATED IN THIS SECTION.

16 (b) IN ANY PROCEEDING HELD UNDER THIS SECTION, THE
17 COMMISSIONER MAY ACCEPT AS EVIDENCE OF GROUNDS FOR DISCIPLINARY
18 ACTION ANY DISCIPLINARY ACTION TAKEN AGAINST A REGISTRANT IN
19 ANOTHER JURISDICTION IF THE VIOLATION THAT PROMPTED THE
20 DISCIPLINARY ACTION IN THE OTHER JURISDICTION WOULD BE GROUNDS
21 FOR DISCIPLINARY ACTION UNDER THIS ARTICLE.

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

1 (6) (a) THE COMMISSIONER MAY REQUEST THE ATTORNEY
2 GENERAL TO SEEK AN INJUNCTION, IN ANY COURT OF COMPETENT
3 JURISDICTION, TO ENJOIN A PERSON FROM COMMITTING AN ACT
4 PROHIBITED BY THIS ARTICLE. WHEN SEEKING AN INJUNCTION UNDER THIS
5 PARAGRAPH (a), THE ATTORNEY GENERAL SHALL NOT BE REQUIRED TO
6 ALLEGE OR PROVE THE INADEQUACY OF ANY REMEDY AT LAW OR THAT
7 SUBSTANTIAL OR IRREPARABLE DAMAGE IS LIKELY TO RESULT FROM A
8 CONTINUED VIOLATION OF THIS ARTICLE.

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

12 (II) IN ORDER TO AID THE COMMISSIONER IN ANY HEARING OR
13 INVESTIGATION INSTITUTED UNDER THIS SECTION, THE COMMISSIONER OR
14 AN ADMINISTRATIVE LAW JUDGE APPOINTED BY THE COMMISSIONER MAY
15 ADMINISTER OATHS, TAKE AFFIRMATIONS OF WITNESSES, AND ISSUE
16 SUBPOENAS COMPELLING THE ATTENDANCE OF WITNESSES AND THE
17 PRODUCTION OF ALL RELEVANT RECORDS, PAPERS, BOOKS, DOCUMENTARY
18 EVIDENCE, AND MATERIALS IN ANY HEARING, INVESTIGATION,
19 ACCUSATION, OR OTHER MATTER BEFORE THE COMMISSIONER OR AN
20 ADMINISTRATIVE LAW JUDGE.

21 (III) UPON FAILURE OF ANY WITNESS OR REGISTRANT TO COMPLY
22 WITH A SUBPOENA OR PROCESS, THE DISTRICT COURT OF THE COUNTY
23 WHERE THE SUBPOENAED PERSON OR REGISTRANT RESIDES OR CONDUCTS
24 BUSINESS, UPON APPLICATION BY THE COMMISSIONER WITH NOTICE TO THE
25 SUBPOENAED PERSON OR REGISTRANT, MAY ISSUE TO THE PERSON OR
26 REGISTRANT AN ORDER REQUIRING THE PERSON OR REGISTRANT TO
27 APPEAR BEFORE THE COMMISSIONER; TO PRODUCE THE RELEVANT PAPERS,

1 BOOKS, RECORDS, DOCUMENTARY EVIDENCE, OR MATERIALS IF SO
2 ORDERED; OR TO GIVE EVIDENCE TOUCHING THE MATTER UNDER
3 INVESTIGATION OR IN QUESTION. IF THE PERSON OR REGISTRANT FAILS TO
4 OBEY THE ORDER OF THE COURT, THE PERSON OR REGISTRANT MAY BE
5 HELD IN CONTEMPT OF COURT.

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

10 (7) (a) THE COMMISSIONER, THE COMMISSIONER'S STAFF, ANY
11 PERSON ACTING AS A WITNESS OR CONSULTANT TO THE COMMISSIONER,
12 ANY WITNESS TESTIFYING IN A PROCEEDING AUTHORIZED UNDER THIS
13 ARTICLE, AND ANY PERSON WHO LODGES A COMPLAINT PURSUANT TO THIS
14 ARTICLE IS IMMUNE FROM LIABILITY IN ANY CIVIL ACTION BROUGHT
15 AGAINST HIM OR HER FOR ACTS OCCURRING WHILE ACTING IN HIS OR HER
16 CAPACITY AS COMMISSIONER, STAFF, CONSULTANT, OR WITNESS,
17 RESPECTIVELY, IF SUCH INDIVIDUAL WAS ACTING IN GOOD FAITH WITHIN
18 THE SCOPE OF HIS OR HER RESPECTIVE CAPACITY, MADE A REASONABLE
19 EFFORT TO OBTAIN THE FACTS OF THE MATTER AS TO WHICH HE OR SHE
20 ACTED, AND ACTED IN THE REASONABLE BELIEF THAT THE ACTION TAKEN
21 BY HIM OR HER WAS WARRANTED BY THE FACTS.

22 (b) A PERSON PARTICIPATING IN GOOD FAITH IN MAKING A
23 COMPLAINT OR REPORT OR IN AN INVESTIGATIVE OR ADMINISTRATIVE
24 PROCEEDING UNDER THIS SECTION IS IMMUNE FROM ANY CIVIL OR
25 CRIMINAL LIABILITY THAT OTHERWISE MIGHT RESULT BY REASON OF THE
26 PARTICIPATION.

27 (8) A FINAL ACTION OF THE COMMISSIONER IS SUBJECT TO JUDICIAL

1 REVIEW BY THE COURT OF APPEALS PURSUANT TO SECTION 24-4-106 (11),
2 C.R.S. A JUDICIAL PROCEEDING TO ENFORCE AN ORDER OF THE
3 COMMISSIONER MAY BE INSTITUTED IN ACCORDANCE WITH SECTION
4 24-4-106 (3), C.R.S.

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

9 (10) (a) IF IT APPEARS TO THE COMMISSIONER, BASED UPON
10 CREDIBLE EVIDENCE AS PRESENTED IN A WRITTEN COMPLAINT BY ANY
11 PERSON, THAT A REGISTRANT IS ACTING IN A MANNER THAT IS AN
12 IMMINENT THREAT TO THE HEALTH AND SAFETY OF THE PUBLIC, OR THAT
13 A PERSON IS ACTING OR HAS ACTED WITHOUT THE REQUIRED
14 REGISTRATION, THE COMMISSIONER MAY ISSUE AN ORDER TO CEASE AND
15 DESIST SUCH ACTIVITY. THE ORDER MUST SET FORTH THE STATUTES AND
16 RULES ALLEGED TO HAVE BEEN VIOLATED, THE FACTS ALLEGED TO HAVE
17 CONSTITUTED THE VIOLATION, AND THE REQUIREMENT THAT ALL
18 UNLAWFUL ACTS OR UNREGISTERED PRACTICES IMMEDIATELY CEASE.

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

25 (11) (a) IF IT APPEARS TO THE COMMISSIONER, BASED UPON
26 CREDIBLE EVIDENCE AS PRESENTED IN A WRITTEN COMPLAINT BY ANY
27 PERSON, THAT A PERSON HAS VIOLATED ANY OTHER PORTION OF THIS

1 ARTICLE, THEN, IN ADDITION TO ANY SPECIFIC POWERS GRANTED
2 PURSUANT TO THIS ARTICLE, THE COMMISSIONER MAY ISSUE TO THE
3 PERSON AN ORDER TO SHOW CAUSE AS TO WHY THE COMMISSIONER
4 SHOULD NOT ISSUE A FINAL ORDER DIRECTING THE PERSON TO CEASE AND
5 DESIST FROM THE UNLAWFUL ACT OR UNREGISTERED PRACTICE.

6 (b) THE COMMISSIONER SHALL NOTIFY A PERSON AGAINST WHOM
7 AN ORDER TO SHOW CAUSE HAS BEEN ISSUED OF THE ISSUANCE OF THE
8 ORDER, ALONG WITH A COPY OF THE ORDER, THE FACTUAL AND LEGAL
9 BASIS FOR THE ORDER, AND THE DATE SET BY THE COMMISSIONER FOR A
10 HEARING ON THE ORDER. THE NOTICE MAY BE SERVED ON THE PERSON
11 AGAINST WHOM THE ORDER HAS BEEN ISSUED BY PERSONAL SERVICE OR
12 BY CERTIFIED, POSTAGE-PREPAID, UNITED STATES MAIL. PERSONAL
13 SERVICE OR MAILING OF AN ORDER OR DOCUMENT CONSTITUTES NOTICE OF
14 THE ORDER TO THE PERSON.

15 (c) (I) THE COMMISSIONER SHALL HOLD THE HEARING ON AN
16 ORDER TO SHOW CAUSE NO SOONER THAN TEN AND NO LATER THAN
17 FORTY-FIVE CALENDAR DAYS AFTER THE DATE OF TRANSMISSION OR
18 SERVICE OF THE NOTIFICATION BY THE COMMISSIONER AS PROVIDED IN
19 THIS SUBSECTION (11). THE HEARING MAY BE CONTINUED BY AGREEMENT
20 OF ALL PARTIES BASED UPON THE COMPLEXITY OF THE MATTER, NUMBER
21 OF PARTIES TO THE MATTER, AND LEGAL ISSUES PRESENTED IN THE
22 MATTER.

23 (II) IF A PERSON AGAINST WHOM AN ORDER TO SHOW CAUSE HAS
24 BEEN ISSUED DOES NOT APPEAR AT THE HEARING, THE COMMISSIONER MAY
25 PRESENT EVIDENCE THAT NOTIFICATION WAS PROPERLY SENT OR SERVED
26 ON THE PERSON UNDER THIS SUBSECTION (11) AND SUCH OTHER EVIDENCE
27 RELATED TO THE MATTER AS THE COMMISSIONER DEEMS APPROPRIATE.

1 THE COMMISSIONER SHALL ISSUE THE ORDER WITHIN TEN DAYS AFTER THE
2 COMMISSIONER'S DETERMINATION RELATED TO REASONABLE ATTEMPTS TO
3 NOTIFY THE RESPONDENT, AND THE ORDER SHALL BECOME FINAL AS TO
4 THAT PERSON BY OPERATION OF LAW. THE COMMISSIONER SHALL
5 CONDUCT THE HEARING IN ACCORDANCE WITH SECTIONS 24-4-104 AND
6 24-4-105, C.R.S.

7 (III) IF THE COMMISSIONER REASONABLY FINDS THAT THE PERSON
8 AGAINST WHOM THE ORDER TO SHOW CAUSE WAS ISSUED IS ACTING OR
9 HAS ACTED WITHOUT THE REQUIRED LICENSURE, OR HAS OR IS ABOUT TO
10 ENGAGE IN ACTS OR PRACTICES CONSTITUTING VIOLATIONS OF THIS
11 ARTICLE, A FINAL CEASE-AND-DESIST ORDER MAY BE ISSUED, DIRECTING
12 THE PERSON TO CEASE AND DESIST FROM FURTHER UNLAWFUL ACTS OR
13 UNREGISTERED PRACTICES.

14 (IV) THE COMMISSIONER SHALL PROVIDE NOTICE, IN THE MANNER
15 SET FORTH IN THIS SUBSECTION (11), OF THE FINAL CEASE-AND-DESIST
16 ORDER WITHIN TEN CALENDAR DAYS AFTER THE HEARING IS CONDUCTED
17 TO EACH PERSON AGAINST WHOM THE FINAL ORDER HAS BEEN ISSUED. THE
18 FINAL ORDER ISSUED IS EFFECTIVE WHEN ISSUED AND IS A FINAL ORDER
19 FOR PURPOSES OF JUDICIAL REVIEW.

20 (12) IF IT APPEARS TO THE COMMISSIONER, BASED UPON CREDIBLE
21 EVIDENCE PRESENTED TO THE COMMISSIONER, THAT A PERSON HAS
22 ENGAGED OR IS ABOUT TO ENGAGE IN AN UNREGISTERED ACT OR
23 PRACTICE; AN ACT OR PRACTICE CONSTITUTING A VIOLATION OF THIS
24 ARTICLE, A RULE PROMULGATED UNDER THIS ARTICLE, OR AN ORDER
25 ISSUED UNDER THIS ARTICLE; OR AN ACT OR PRACTICE CONSTITUTING
26 GROUNDS FOR ADMINISTRATIVE SANCTION UNDER THIS ARTICLE, THE
27 COMMISSIONER MAY ENTER INTO A STIPULATION WITH THE PERSON.

1 (13) IF ANY PERSON FAILS TO COMPLY WITH A FINAL
2 CEASE-AND-DESIST ORDER OR A STIPULATION, THE COMMISSIONER MAY
3 REQUEST THE ATTORNEY GENERAL OR THE DISTRICT ATTORNEY FOR THE
4 JUDICIAL DISTRICT IN WHICH THE ALLEGED VIOLATION EXISTS TO BRING,
5 AND IF SO REQUESTED, THE ATTORNEY GENERAL SHALL BRING SUIT FOR A
6 TEMPORARY RESTRAINING ORDER AND FOR INJUNCTIVE RELIEF TO
7 PREVENT ANY FURTHER OR CONTINUED VIOLATION OF THE FINAL ORDER.

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

12 **10-23-107. [Formerly 12-7-109 (3)] Unlicensed practice -**
13 **penalties. (3) Any A person who acts or attempts to act as a bail bonding**
14 **PROFESSIONAL CASH-BAIL AGENT OR CASH-BONDING agent and**
15 **who is not licensed REGISTERED as such under this article is guilty of a**
16 **misdemeanor and, upon conviction thereof, shall be punished by a fine of**
17 **not more than one thousand dollars, or by imprisonment in the county jail**
18 **for not more than one year, or by both such fine and imprisonment. UPON**
19 **CONVICTION, THE COURT SHALL REQUIRE THE PERSON TO DISGORGE ANY**
20 **PROFITS FROM ACTING AS A PROFESSIONAL CASH-BAIL AGENT OR**
21 **CASH-BONDING AGENT AND FORWARD THE PROFITS TO THE STATE**
22 **TREASURER, WHO SHALL DEPOSIT THE MONEYS IN THE GENERAL FUND.**

23 **10-23-108. Bail bond documents - requirements - rules.**
24 **(1) THE PROFESSIONAL CASH-BAIL AGENT OR CASH-BONDING AGENT WHO**
25 **POSTS A BAIL BOND WITH THE COURT ON BEHALF OF A DEFENDANT SHALL**
26 **ENSURE THAT THE FOLLOWING DOCUMENTS COMPLY WITH THE FOLLOWING**
27 **PROVISIONS:**

1 (a) AN INDEMNITY AGREEMENT MUST:

2 (I) BE IN WRITING;

3 (II) BE SIGNED BY THE PROFESSIONAL CASH-BAIL AGENT OR
4 CASH-BONDING AGENT;

5 (III) BE SIGNED BY THE DEFENDANT OR INDEMNITOR;

6 (IV) SET FORTH THE AMOUNT OF BAIL SET IN THE CASE, THE NAME
7 OF THE DEFENDANT RELEASED ON THE BAIL BOND, THE COURT CASE
8 NUMBER IF AVAILABLE, THE COURT WHERE THE BOND IS EXECUTED, THE
9 PREMIUM CHARGED, THE AMOUNT AND TYPE OF COLLATERAL HELD BY THE
10 PROFESSIONAL CASH-BAIL AGENT OR CASH-BONDING AGENT, AND THE
11 CONDITIONS UNDER WHICH THE COLLATERAL IS RETURNED;

12 (V) CONTAIN DOCUMENTATION THAT THE INDEMNITOR HAS
13 RECEIVED COPIES OF SIGNED AND DATED DISCLOSURE FORMS; AND

14 (VI) IF THE DEFENDANT OR INDEMNITOR IS ILLITERATE OR DOES
15 NOT READ ENGLISH, CONTAIN A NOTE ON THE INDEMNITY AGREEMENT
16 THAT THE AGENT OR A THIRD PARTY HAS READ OR TRANSLATED THE
17 AGREEMENT TO THE DEFENDANT OR INDEMNITOR AND BE AFFIXED WITH
18 AN AFFIDAVIT TO THE INDEMNITY AGREEMENT ATTESTING THAT THE
19 DOCUMENT WAS TRANSLATED;

20 (b) A PROMISSORY NOTE MUST BE:

21 (I) IN WRITING;

22 (II) SIGNED BY THE PROFESSIONAL CASH-BAIL AGENT OR
23 CASH-BONDING AGENT; AND

24 (III) SIGNED BY THE DEFENDANT OR INDEMNITOR;

25 (c) A COLLATERAL RECEIPT MUST:

26 (I) BE DATED;

27 (II) BE IN WRITING;

1 (III) BE SIGNED BY THE PROFESSIONAL CASH-BAIL AGENT OR
2 CASH-BONDING AGENT;

3 (IV) BE SIGNED BY THE DEFENDANT OR INDEMNITOR;

4 (V) BE PRENUMBERED;

5 (VI) CONTAIN A FULL DESCRIPTION OF THE COLLATERAL,
6 INCLUDING THE CONDITION OF THE COLLATERAL AT THE TIME IT IS TAKEN
7 INTO CUSTODY; AND

8 (VII) SET FORTH THE AMOUNT OF BAIL SET IN THE CASE, THE NAME
9 OF THE DEFENDANT RELEASED ON THE BAIL BOND, THE COURT CASE
10 NUMBER, THE COURT WHERE THE BOND IS EXECUTED, THE PREMIUM
11 CHARGED, THE AMOUNT AND TYPE OF COLLATERAL HELD BY THE AGENT,
12 AND THE CONDITIONS UNDER WHICH THE COLLATERAL IS RETURNED;

13 (d) A BAIL BOND REVOCATION REQUEST MUST BE:

14 (I) DATED;

15 (II) IN WRITING;

16 (III) SIGNED BY THE PROFESSIONAL CASH-BAIL AGENT OR
17 CASH-BONDING AGENT; AND

18 (IV) SIGNED BY THE DEFENDANT OR INDEMNITOR.

19 (2) (a) BEFORE ACCEPTING CONSIDERATION, THE PROFESSIONAL
20 CASH-BAIL AGENT OR CASH-BONDING AGENT SHALL COMMIT TO WRITING,
21 SIGN, DATE, AND OBTAIN THE DEFENDANT'S OR INDEMNITOR'S SIGNATURE
22 ON AN ARRANGEMENT FOR THE PAYMENT OF ALL OR PART OF THE
23 PREMIUM, COMMISSION, OR FEE, INCLUDING THE PAYMENT SCHEDULE. THE
24 SIGNATURE OF THE PROFESSIONAL CASH-BAIL AGENT OR CASH-BONDING
25 AGENT IS NOT AN OBLIGATION TO PAY ANY DEBT OWED TO A LENDER. TO
26 BE ENFORCEABLE, INTEREST AND FINANCIAL CHARGES ON ANY UNPAID
27 PREMIUM MUST COMPLY WITH THE "UNIFORM CONSUMER CREDIT CODE",

1 ARTICLES 1 TO 9 OF TITLE 5, C.R.S.

2 (b) BEFORE ACCEPTING CONSIDERATION OR TAKING COLLATERAL,
3 THE PROFESSIONAL CASH-BAIL AGENT OR CASH-BONDING AGENT SHALL
4 PROVIDE, IN A FORM PRESCRIBED BY THE COMMISSIONER, A DISCLOSURE
5 STATEMENT TO EACH DEFENDANT AND INDEMNITOR DETAILING THE TERMS
6 OF THE BAIL BOND.

7 (3) (a) A PROFESSIONAL CASH-BAIL AGENT OR CASH-BONDING
8 AGENT WHO ACCEPTS CONSIDERATION FOR A BAIL BOND OR UNDERTAKING
9 SHALL, FOR EACH PAYMENT RECEIVED, PROVIDE TO THE PERSON
10 TENDERING PAYMENT A PRENUMBERED, SIGNED RECEIPT CONTAINING THE
11 FOLLOWING:

12 (I) THE DATE;

13 (II) THE DEFENDANT'S NAME;

14 (III) A DESCRIPTION OF THE CONSIDERATION AND AMOUNT OF
15 MONEY RECEIVED;

16 (IV) THE PURPOSE FOR WHICH IT WAS RECEIVED;

17 (V) THE PENAL SUM OF THE BAIL BOND;

18 (VI) THE NAME OF THE PERSON TENDERING PAYMENT; AND

19 (VII) THE TERMS UNDER WHICH THE MONEY OR OTHER
20 CONSIDERATION IS RELEASED.

21 (b) THE PROFESSIONAL CASH-BAIL AGENT OR CASH-BONDING
22 AGENT SHALL "PROVIDE THE PERSON TENDERING PAYMENT A SIGNED AND
23 DATED RECEIPT FOR EACH PREMIUM PAYMENT LISTING THE AMOUNT PAID.

24 (4) THE PROFESSIONAL CASH-BAIL AGENT OR CASH-BONDING
25 AGENT SHALL PREPARE OR EXECUTE SEPARATE AGREEMENTS AND
26 DOCUMENTS FOR EACH TIME THE AGENT POSTS A BAIL BOND WITH THE
27 COURT. THE AGENT SHALL GIVE THE INDEMNITOR A COPY OF EACH

1 DOCUMENT EXECUTED IN THE COURSE OF THE BAIL BOND TRANSACTION.

2 (5) FOR THREE YEARS AFTER THE DATE OF DISCHARGE OF A BAIL
3 BOND AND RETURN OF ANY COLLATERAL OR PROOF OF NOTICE TO THE
4 DEFENDANT OR INDEMNITOR THAT ANY PROMISSORY NOTE HAS BEEN
5 SATISFIED, THE PROFESSIONAL CASH-BAIL AGENT OR CASH-BONDING
6 AGENT SHALL KEEP AT THE AGENT'S BUSINESS, COPIES OF EACH RECEIPT,
7 INDEMNITY AGREEMENT, BOND, DISCLOSURE STATEMENT, PAYMENT PLAN,
8 BOND REVOCATION REQUEST, OR OTHER DOCUMENT OR INFORMATION
9 RELATED TO THE BOND TRANSACTION AND SHALL MAKE THESE
10 DOCUMENTS AVAILABLE FOR INSPECTION BY THE COMMISSIONER OR THE
11 COMMISSIONER'S AUTHORIZED REPRESENTATIVE DURING NORMAL
12 BUSINESS HOURS.

13 (6) THE INDEMNITOR MAY BE THE DEFENDANT.

14 (7) THE COMMISSIONER MAY EXAMINE THE BUSINESS PRACTICES,
15 BOOKS, AND RECORDS OF ANY PROFESSIONAL CASH-BAIL AGENT OR
16 CASH-BONDING AGENT AS OFTEN AS THE COMMISSIONER DEEMS
17 APPROPRIATE.

18 **10-23-109. Business practices - price limits - collateral.** (1) A
19 PROFESSIONAL CASH-BAIL AGENT OR CASH-BONDING AGENT SHALL NOT
20 CHARGE A PREMIUM OR COMMISSION OF MORE THAN THE GREATER OF
21 FIFTY DOLLARS OR FIFTEEN PERCENT OF THE AMOUNT OF BAIL FURNISHED.
22 A PROFESSIONAL CASH-BAIL AGENT OR CASH-BONDING AGENT SHALL NOT
23 ASSESS FEES FOR ANY BAIL BOND POSTED BY THE AGENT WITH THE COURT
24 UNLESS THE FEE IS FOR PAYMENT OF A BAIL BOND FILING CHARGED BY A
25 COURT OR LAW ENFORCEMENT AGENCY, THE FEE IS FOR THE ACTUAL COST
26 OF STORING COLLATERAL IN A SECURE, SELF-SERVICE PUBLIC STORAGE
27 FACILITY, OR THE FEE IS FOR PREMIUM FINANCING.

1 (2) IF A PROFESSIONAL CASH-BAIL AGENT OR CASH-BONDING
2 AGENT HAS ISSUED A DISCLOSURE STATEMENT IN ACCORDANCE WITH
3 SECTION 10-23-108 (2) (b), THE AGENT MAY USE COLLATERAL RECEIVED
4 FROM THE DEFENDANT OR INDEMNITOR TO SECURE THE FOLLOWING
5 OBLIGATIONS:

6 (a) COMPLIANCE WITH THE BOND ISSUED ON BEHALF OF THE
7 PRINCIPAL;

8 (b) ANY BALANCE DUE ON THE PREMIUM, COMMISSION, OR FEE FOR
9 THE BAIL BOND; AND

10 (c) ANY ACTUAL COSTS INCURRED BY THE PROFESSIONAL
11 CASH-BAIL AGENT OR CASH-BONDING AGENT AS A RESULT OF ISSUING THE
12 BAIL BOND.

13 **10-23-109. [Formerly 12-7-112] Repeal - review of functions.**
14 This article is repealed, effective July 1, 2012 SEPTEMBER 1, 2017. Prior
15 to such THE repeal, the licensing functions of the commissioner and the
16 division shall be reviewed as provided for in section 24-34-104, C.R.S.

17 **SECTION 42.** In Colorado Revised Statutes, 16-1-104, **add** (3.5)
18 as follows:

19 **16-1-104. Definitions.** (3.5) "BAIL BONDING AGENT" OR
20 "BONDING AGENT" MEANS A INDIVIDUAL WHO IS IN THE BUSINESS OF
21 WRITING APPEARANCE BONDS AND WHO IS SUBJECT TO REGULATION BY
22 THE DIVISION OF INSURANCE IN THE DEPARTMENT OF REGULATORY
23 AGENCIES, INCLUDING AN INSURANCE PRODUCER, CASH-BONDING AGENT,
24 OR PROFESSIONAL CASH-BAIL AGENT.

25 **SECTION 43.** In Colorado Revised Statutes, 16-3-503, **amend**
26 (1) (c) as follows:

27 **16-3-503. Bonds recovered for persons illegally in the country.**

1 (1) (c) If it is determined that a defendant is illegally present in the
2 country after a ~~bail~~ AN APPEARANCE bond is posted on a felony or a class
3 1 or class 2 misdemeanor, the jail or court shall return all documents
4 concerning the defendant that are signed by the bail bonding agent to the
5 agent, and the agent shall return ~~the fees collected pursuant to section~~
6 ~~12-7-108 (7), C.R.S.~~, ANY PREMIUM, COMMISSION, OR FEE, NOT
7 INCLUDING PREMIUM FINANCING FEES, BOND FILING FEES CHARGED BY A
8 COURT OR LAW ENFORCEMENT AGENCY, AND THE ACTUAL COST OF
9 STORING COLLATERAL IN A SECURE, SELF-SERVICE PUBLIC STORAGE
10 FACILITY, to the court for forfeiture pursuant to UNDER subsection (2) of
11 this section.

12 **SECTION 44.** In Colorado Revised Statutes, 16-4-104, **amend**
13 (1) (b) (III) as follows:

14 **16-4-104. Bail bond - alternatives.** (1) When the amount of bail
15 is fixed by the judge of a court of record, the judge shall also determine
16 which of the following kinds of bond shall be required for the pretrial
17 release of the defendant:

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

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

25 **SECTION 45.** In Colorado Revised Statutes, 16-4-112, **amend**
26 (2) (a) and (2) (c); and **add** (6) as follows:

27 **16-4-112. Enforcement procedures for compensated sureties**

1 **- definitions.** (2) As used in this section, unless the context otherwise
2 requires:

3 (a) "Bail insurance company" means an insurer as defined in
4 section 10-1-102 (13), C.R.S., engaged in the business of writing bail
5 appearance bonds through bonding agents, which company is subject to
6 regulation by the division of insurance in the department of regulatory
7 agencies.

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

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

17 **SECTION 46.** In Colorado Revised Statutes, **add with amended**
18 **and relocated provisions 18-13-130** as follows:

19 **18-13-130. [Formerly 12-7-109 (1) and (2)] Bail bond -**
20 **prohibited activities - penalties.** (1) It is unlawful for any licensee
21 **under this article** PERSON WHO ENGAGES IN THE BUSINESS OF WRITING BAIL
22 **BONDS to engage in any of the following activities RELATED TO A BAIL**
23 **BOND TRANSACTION:**

24 (a) **Specify, suggest, or advise the employment of any A particular**
25 **attorney to represent such THE licensee's principal;**

26 (b) **Pay a fee or rebate or give or promise to give anything of value**
27 **to a jailer, police officer, peace officer, clerk, deputy clerk, any other AN**

1 employee of any A court, district attorney or any of such district attorney's
2 employees, or any person who has power to arrest or to hold any A person
3 in custody;

4 (c) Pay a fee or rebate or give anything of value to an attorney in
5 bail bond matters, except in defense of any action on a bond or as counsel
6 to represent such bail bonding agent or such bonding agent's THE PERSON
7 WHO WROTE OR POSTED THE BOND OR THE PERSON'S representative or
8 employees;

9 (d) Pay a fee or rebate or give or promise to give anything of value
10 to the person on whose bond such licensee THE PERSON is surety;

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

1 has been made by certified mail and the attempt has failed.

2 (e) Accept anything of value from a person on whose bond such
3 licensee THE PERSON IN THE BUSINESS OF WRITING BAIL BONDS is surety
4 or from others on behalf of such THE person except the fee or premium
5 on the bond, but the bail bonding agent PRODUCER OR AGENT may accept
6 collateral security or other indemnity if:

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

11 (II) No collateral or security interest in real property is taken by
12 deed or any other instrument unless the bail bonding agent's interest in the
13 property is limited to the amount of the bond AND THE INTEREST IS
14 RECORDED IN THE NAME OF THE BAIL INSURANCE COMPANY OR INSURANCE
15 PRODUCER, CASH-BONDING AGENT, OR PROFESSIONAL CASH-BAIL AGENT
16 WHO POSTED THE BOND WITH THE COURT;

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

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

22 (f) Coerce, suggest, aid and abet, offer promise of favor, or
23 threaten any person on whose BAIL bond such licensee THE PERSON is
24 surety or offers to become surety to induce that person to commit any
25 crime;

26 (g) Act as a bail bonding agent POST A BAIL BOND in any court of
27 record in this state while the name of such licensee THE PERSON is on the

1 board pursuant to UNDER section 16-4-112 (5) (e), C.R.S., or under any
2 circumstance where a licensee THE PERSON has failed to pay a bail
3 forfeiture judgment after all applicable stays of execution have expired
4 and the bond has not been otherwise exonerated or discharged;

5 (h) to (j) Repealed.

6 (h) EXCEPT FOR THE BOND FEE, TO FAIL TO RETURN ANY
7 NONFORFEITED COLLATERAL OR SECURITY WITHIN FOURTEEN DAYS AFTER
8 RECEIPT OF A COPY OF THE COURT ORDER THAT RESULTS IN A RELEASE OF
9 THE BOND BY THE COURT, OR IF THE DEFENDANT FAILS TO APPEAR AND
10 THE SURETY IS EXONERATED, FAILS TO RETURN THE COLLATERAL TO THE
11 INDEMNITOR UPON REQUEST WITHIN FOURTEEN DAYS AFTER THE
12 THREE-YEAR PERIOD, UNLESS:

13 (I) THE COLLATERAL ALSO SECURES ANOTHER OBLIGATION,
14 PREMIUM PAYMENT PLAN, OR BAIL RECOVERY FEE; OR

15 (II) THE LATER OF THREE YEARS OR, IF THE COURT GRANTS AN
16 EXTENSION, SIX YEARS HAVE ELAPSED FROM THE DATE THE BOND WAS
17 POSTED.

18 (k) (i) Accept anything of value from a person on whose bond
19 such licensee THE PERSON IN THE BUSINESS OF WRITING BAIL BONDS is
20 indemnitor or from another on behalf of such THE principal except the
21 premium, except that the bail bonding agent licensed under this article
22 may accept collateral security or other indemnity from the person on
23 whose bond such bail bonding agent is indemnitor or from another on
24 behalf of such principal. All such collateral or other indemnity shall be
25 returned pursuant to the requirements contained in paragraph (d.5) of this
26 subsection (1). The bail bonding agent licensed under this article shall
27 preserve and separately retain such collateral and shall be responsible for

1 the return of all such collateral taken and shall be liable for failure thereof
2 as will also be the surety company. When a bail bonding agent accepts
3 collateral as security pursuant to this paragraph (k), such bail bonding
4 agent shall give a written receipt for such collateral to the person on
5 whose bond such bail bonding agent is indemnitor or to another on behalf
6 of such principal and the surety, which shall provide in detail a full
7 description of the collateral received. In the event of the failure of or
8 inability for any reason of a bail bonding agent or such bail bonding
9 agent's heirs or assignees to return collateral as required in this paragraph
10 (k), the commissioner or the commissioner's designee is authorized to
11 take immediate possession of the collateral and take whatever actions are
12 necessary and appropriate to assure compliance with the obligations of
13 this article relating to the return of collateral. The commissioner is
14 authorized to utilize any or all of the qualification bond required in
15 section 12-7-103 (3) for any costs incurred. Any such payment received
16 by the commissioner is hereby appropriated to the division of insurance
17 in addition to any other funds appropriated for its normal operation. The
18 commissioner shall forfeit a qualification bond in the amount necessary
19 to pay any final, nonappealable judgment award for failure to return
20 collateral, including costs and attorney's fees, if awarded. AS AUTHORIZED
21 BY TITLE 10, C.R.S., OR ANY RULE OF THE DIVISION OF INSURANCE
22 PROMULGATED UNDER TITLE 10, C.R.S.;

23 (h) (j) Sign or countersign blank bail bonds; or execute a power of
24 attorney or otherwise authorize anyone to countersign such licensee's
25 name to bonds;

26 (m) (k) For any one licensee To have more than one bond posted
27 at any one time and in any single ONE case on behalf of any one person;

1 ~~(n)~~ (l) Fail to issue to the person from whom collateral or security
2 is taken a receipt which THAT includes a description of the collateral or
3 security at the time WHEN it is taken into the custody; of the bail bonding
4 agent;

5 (o) Failure to post a bond within twenty-four hours of receipt of
6 full payment or a signed contract for payment, or if the bond is not posted
7 within twenty-four hours of receipt of full payment or a signed contract
8 for payment, failure to refund all moneys received, release all liens, and
9 return all collateral within forty-eight hours of receipt of such payment or
10 contract.

11 (2) Any licensee A PERSON who violates any provision of
12 subsection (1) of this section is guilty of a AN UNCLASSIFIED misdemeanor
13 and, upon conviction thereof, shall be punished by a fine of not more than
14 one thousand dollars, or by imprisonment in the county jail for not more
15 than one year, or by both such fine and imprisonment. Any criminal
16 penalty prescribed in this section for a violation of this article shall be IS
17 in addition to, and not exclusive of, any other applicable penalty
18 prescribed by law.

19 **SECTION 47.** In Colorado Revised Statutes, 24-34-104, **amend**
20 **(43) introductory portion and (48.5); and repeal (43) (f) as follows:**

21 **24-34-104. General assembly review of regulatory agencies**
22 **and functions for termination, continuation, or reestablishment.**

23 (43) The following agencies, functions, or both, shall terminate on July
24 1, 2012:

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

27 (48.5) The following agencies, functions, or both, shall terminate

1 on September 1, 2017:

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

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

6 **SECTION 48.** In Colorado Revised Statutes, 2-3-1203, **repeal** (3)
7 (z) (III) as follows:

8 **2-3-1203. Sunset review of advisory committees.** (3) The
9 following dates are the dates for which the statutory authorization for the
10 designated advisory committees is scheduled for repeal:

11 (z) July 1, 2013:

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

14 **SECTION 49.** In Colorado Revised Statutes, 24-31-303, **amend**
15 (1) (h) as follows:

16 **24-31-303. Duties - powers of the P.O.S.T. board.** (1) The
17 P.O.S.T. board has the following duties:

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

21 **SECTION 50.** In Colorado Revised Statutes, 24-33.5-412, **repeal**
22 (1) (p) as follows:

23 **24-33.5-412. Functions of bureau - legislative review.** (1) The
24 bureau has the following authority:

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

1 **SECTION 51. Appropriation - adjustments in 2012 long bill.**

2 For the implementation of this act, the cash funds appropriations made in
3 the annual general appropriation act to the department of regulatory
4 agencies for the fiscal year beginning July 1, 2012, for the division of
5 insurance, is decreased by \$3,930 and 0.1 FTE. Said sum is from the
6 division of insurance cash fund created in section 10-1-103 (3), Colorado
7 Revised Statutes.

8 **SECTION 52. Effective date - applicability.** This act takes
9 effect July 1, 2012, and applies to offenses committed and applications
10 submitted on or after said date.

11 **SECTION 53. Safety clause.** The general assembly hereby finds,
12 determines, and declares that this act is necessary for the immediate
13 preservation of the public peace, health, and safety.