

Second Regular Session
Sixty-eighth General Assembly
STATE OF COLORADO

PREAMENDED

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

LLS NO. 12-0307.02 Jery Payne x2157

HOUSE BILL 12-1266

HOUSE SPONSORSHIP

Sonnenberg, Gardner B.

SENATE SPONSORSHIP

Morse,

House Committees

Judiciary
Appropriations

Senate Committees

A BILL FOR AN ACT

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

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 A prohibition against licensing firms is repealed.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) as follows:

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

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

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

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

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

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

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

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

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

27 **10-1-108. Duties of commissioner - reports - publications - fees**

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

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

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

1 other funds appropriated for its normal operation.

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

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

11 (2) If the commissioner finds upon examination, hearing, or other
12 evidence that any foreign or domestic insurance company has committed
13 any of the acts specified in subsection (1) of this section, or any other act
14 specified in this title ~~article 7 of title 12~~, and article 14 of title 24, C.R.S.,
15 for which the penalty is suspension or revocation of the certificate of
16 authority, the commissioner may suspend or revoke such certificate of
17 authority, if he or she deems it in the best interest of the public and the
18 policyholders of the company, notwithstanding any other provision of
19 said references. Notice of any revocation shall be published in one or
20 more daily newspapers in Denver that have a general state circulation.
21 Before suspending or revoking any certificate of authority of an insurance
22 company, the commissioner shall grant the company fifteen days in which
23 to show cause why such action should not be taken. Any final decision of
24 the commissioner to suspend or revoke a certificate of authority or license
25 of any person or entity regulated by the division of insurance shall be
26 subject to judicial review by the court of appeals pursuant to section
27 24-4-106 (11), C.R.S.

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

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

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

16 **10-1-112. Policy conditions required by other states.** The
17 policies of a domestic insurance company, when issued or delivered in
18 any other state, territory, district, or country, may contain any provision
19 required by the laws of the state, territory, district, or country in which the
20 same are issued, anything in this title (except article 15) ~~article 7 of title~~
21 ~~12~~, and article 14 of title 24, C.R.S., to the contrary notwithstanding.

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

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

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

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

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

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

26 **10-2-407. License - definitions of lines of insurance - authority.**
27 (1) Unless A PERSON IS denied licensure pursuant to section 10-2-801, or

1 ~~12-7-106, C.R.S.~~, THE DIVISION SHALL ISSUE a person who has met the
2 requirements of sections 10-2-401 OR 10-2-404 ~~12-7-102, or 12-7-103,~~
3 ~~C.R.S.~~, may be issued an insurance producer license. An insurance
4 producer may receive qualification for a single license to include one or
5 more of the following lines of authority:

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

10 **SECTION 10.** In Colorado Revised Statutes, 10-2-415.5, **amend**
11 (1), (2) (a), (2) (b) introductory portion, (2) (b) (I), and (3) as follows:

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

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

1 has appointed to solicit business on its behalf. The list shall contain all
2 relevant appointment information as prescribed by the commissioner,
3 including the effective date of appointment.

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

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

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

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

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

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

27 **10-2-418. Bail bonding authority.** (1) THE DIVISION SHALL

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

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

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

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

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

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

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

1 **10-2-801. Licenses - denial, suspension, revocation,**
2 **termination - reporting of actions - definitions.** (1) The commissioner
3 may place an insurance producer on probation; suspend, revoke, or refuse
4 to issue, continue, or renew an insurance producer license; order
5 restitution to be paid from an insurance producer; or assess a civil penalty
6 pursuant to section 10-2-804 or 10-3-1108, if, after notice to the insurance
7 producer licensee and after a hearing held in accordance with sections
8 24-4-104 and 24-4-105, C.R.S., the commissioner finds that as to the
9 licensee or applicant any one or more of the following conditions exist:

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

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

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

1 office of the recorder of deeds of the county wherein the company is to
2 be located, before the authority to commence business is granted. Any
3 filings required to be made with the commissioner pursuant to this
4 subsection (2) may be in an electronic format.

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

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

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

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

1 Any person violating the provisions of this section commits a class 1
2 misdemeanor and shall be punished as provided in section 18-1.3-501,
3 C.R.S.

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

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

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

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

1 the provisions of this title ~~article 7 of title 12~~, and article 14 of title 24,
2 C.R.S., who participates in or aids, abets, or advises or consents to any
3 such violation, and any person who solicits or knowingly receives any
4 money or property in violation of said references, is guilty of a
5 misdemeanor and, upon conviction thereof, shall be punished by
6 imprisonment in the county jail for not more than one year and by a fine
7 of not more than one thousand dollars, and any officer aiding or abetting
8 in any contribution made in violation of said references is liable to the
9 company or association for the amount so contributed. No person shall be
10 excused from attending and testifying or producing any books, papers, or
11 other documents, before any court, upon any investigation, proceeding,
12 or trial, for a violation of any of the provisions of said references upon the
13 ground or for the reason that the testimony or evidence, documentary or
14 otherwise, required of such person may tend to incriminate or degrade
15 him or her; but no person shall be prosecuted or subjected to any penalty
16 or forfeiture for or on account of any transaction, matter, or thing
17 concerning which he or she may so testify or produce evidence,
18 documentary or otherwise, and no testimony so given or produced shall
19 be used against him or her upon any criminal investigation or proceeding.

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

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

1 **SECTION 22.** In Colorado Revised Statutes, 10-3-123, **amend**
2 (2), (5), and (7) as follows:

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

18 (5) Any corporation organized under the authority of any other
19 state or government to issue policies or certificates of casualty insurance
20 on the assessment plan, as a condition precedent to transacting business
21 in this state, shall pay such fees and comply with the same requirements
22 as exacted of stock casualty insurance companies of other states or
23 countries, as provided by this title (except article 15) ~~article 7 of title 12~~,
24 and article 14 of title 24, C.R.S., and thereafter be subject to the same
25 general laws and penalties of this title, unless otherwise provided in this
26 section, and it shall deposit with the commissioner or with the proper
27 official of some other state, for the protection of all its policyholders, a

1 sum not less than that required to be deposited by domestic casualty
2 insurance companies organized upon the mutual assessment plan. Such
3 corporation shall also file with the commissioner a copy of its policies or
4 certificates and applications therefor, for approval by the commissioner,
5 and a sworn statement from the proper officers of such corporation that
6 they have received a copy of this section, and shall be governed thereby
7 in issuing policies or certificates in this state. The commissioner may
8 thereupon issue or renew the authority of such corporation to do business
9 in this state.

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

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

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

1 mutual companies shall be construed to include deposits held for the
2 benefit of policyholders as provided in this title (except article 15) ~~article~~
3 ~~7 of title 12, C.R.S.~~, and article 14 of title 24, C.R.S.

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

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

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

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

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

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

17 **10-3-209. Tax on premiums collected - exemptions - penalties.**

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

1 Disaster Insurance Fund Act", part 3 of article 46 of title 8, C.R.S.

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

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

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

24 **10-3-214. Quantitative investment limitations - manner of**
25 **applying.** In applying the investment limitations set forth in this part 2,
26 which are expressed as percentages of a company's admitted assets, there
27 shall be used as a base the total of all assets of the company that would be

1 admitted under this title (except article 15) ~~article 7 of title 12~~, and article
2 14 of title 24, C.R.S., without regard to such limitations and without
3 regard to any condition or restriction set forth in section 10-3-237 (2), and
4 asset values will be those values determined at the current annual
5 statement date or, in case of any statement or examination as of a date
6 other than an annual statement date, those values determined at such other
7 date. In applying any investment limitation set forth in this part 2, which
8 is expressed as a percentage of a company's surplus, the amount of the
9 company's surplus shall be that determined at the current annual statement
10 date or, in the case of any statement or examination as of a date other than
11 an annual statement date, the amount determined at such other date.

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

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

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

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

1 of title 24, C.R.S., the following admitted assets, in addition to those
2 referred to in subsection (1) of this section, shall be deemed to be
3 securities eligible for such deposits: Any asset qualified as an admitted
4 asset under section 10-3-220 or 10-3-226 to 10-3-228, and any life
5 insurance policy, to the extent of the company's interest in the cash value
6 thereof.

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

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

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

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

24 **10-3-237. Assets acquired under prior law.**
25 (2) Notwithstanding any other provision of this title (except article 15)
26 ~~article 7 of title 12~~, and article 14 of title 24, C.R.S., any asset held by a
27 company on May 31, 1969, that is not an admitted asset under section

1 10-1-102 (2) or subsection (1) of this section and that did not meet the
2 requirements of the law in effect immediately prior to such date for an
3 investment of the company's reserves, paid-up capital stock, and other
4 liabilities but which, under such law, would have been taken into account
5 as an asset in determining the surplus of the company shall be taken into
6 account as an admitted asset at all times at which the company has
7 aggregate admitted assets under section 10-1-102 (2) and subsection (1)
8 of this section in an amount at least equal to the total of its reserves,
9 paid-up capital stock, and all other liabilities.

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

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

27 **SECTION 34.** In Colorado Revised Statutes, 10-3-903, **amend**

1 (1) introductory portion; and **add** (1) (j), (1) (k), and (2) (l) as follows:

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

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

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

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

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

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

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

1 insurance:

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

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

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

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

1 appearance bonds through bonding agents which company is subject to
2 regulation by the division of insurance in the department of regulatory
3 agencies.

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

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

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

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

19 (4) (Deleted by amendment, L. 96, p. 1177, § 1, effective June 1,
20 1996.)

21 (5) Repealed.

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

26 (7) (3) "Professional cash-bail agent" means a person who is an
27 authorized FURNISHES bail bond agent who furnishes bail for

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

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

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

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

24 (c) to (e) ~~(Deleted by amendment, L. 95, p. 280, § 2, effective July~~
25 ~~1, 1995.)~~

26 (3) (a) ~~The division is vested with the authority to enforce the~~
27 ~~provisions of this article. The division shall have authority to make~~

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

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

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

25 (5) The division shall prepare and deliver to each licensee
26 REGISTRANT a pocket card showing the name, address, and classification
27 of such licensee. ~~Such~~ THE REGISTRANT. THE pocket card ~~shall~~ MUST

1 clearly state that such THE person is a licensed bonding agent
2 AUTHORIZED TO PRACTICE AS A CASH-BONDING AGENT OR PROFESSIONAL
3 CASH-BAIL AGENT.

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

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

12 (a) (Deleted by amendment, L. 96, p. 1179, § 4, effective June 1,
13 1996.)

14 (b) Repealed.

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

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

27 (e) and (f) Repealed.

1 ~~(1.5)(a)~~ (2) Prior to submission of an application UNDER THIS
2 ARTICLE, each applicant shall have his or her fingerprints taken by a local
3 law enforcement agency ~~for the purpose of obtaining~~ TO OBTAIN a
4 fingerprint-based criminal history record check. The applicant is required
5 to submit payment by certified check or money order for the fingerprints
6 and for the actual costs of ~~said~~ THE record check ~~at the time~~ WHEN the
7 fingerprints are submitted to the Colorado bureau of investigation. Upon
8 receipt of fingerprints and receipt of the payment for costs, the Colorado
9 bureau of investigation shall conduct a state and national
10 fingerprint-based criminal history record check utilizing records of the
11 Colorado bureau of investigation and the federal bureau of investigation.

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

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

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

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

19 ~~(2)~~ ~~(Deleted by amendment, L. 96, p. 1179, § 4, effective June 1,~~
20 ~~1996.)~~

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

1 In the event of a forfeiture of a cash bonding 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 cash
5 bonding agents pursuant to section 12-7-102 (1) may only issue bonds in
6 accordance with the provisions of section 16-4-104 (1) (b) (III), C.R.S.
7 In the event of a qualification bond forfeiture, a cash bonding agent shall
8 be prohibited from writing new bail bonds until the qualification bond is
9 restored to fifty thousand dollars.

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

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

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

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

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

1 (H), C.R.S. In the event of a qualification bond forfeiture, a professional
2 cash bail agent shall be prohibited from writing new bail bonds until the
3 qualification bond is restored to at least fifty thousand dollars.

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

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

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

1 PROCESSING REGISTRATION APPLICATIONS AND ISSUING A REGISTRATION.

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

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

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

26 (2) THE DIVISION SHALL TRANSFER THE FEES IMPOSED BY THIS
27 SECTION TO THE TREASURER, WHO SHALL CREDIT THE FEE TO THE DIVISION

1 OF INSURANCE CASH FUND CREATED IN SECTION 10-1-103.

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

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

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

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

1 THE PROFESSIONAL CASH-BAIL AGENT OR CASH-BONDING AGENT. WHEN
2 THE RIGHT OF SURVIVORSHIP TERMINATES, THE DIVISION SHALL RELEASE
3 THE BOND TO THE AGENT'S ESTATE OR, IF THE ESTATE HAS BEEN SETTLED,
4 TO THE HEIRS OF THE AGENT.

5 (4) TO QUALIFY UNDER THIS SECTION:

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

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

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

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

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

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

1 AN AGENT MAKES A PROFIT IF THE QUALIFICATION BOND CONSISTS OF
2 MONEYS FROM A LOAN, PROMISSORY NOTE, OR OTHER FINANCIAL
3 ARRANGEMENT.

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

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

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

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

1 (c) ~~Any activity prohibited in VIOLATED section 12-7-109 (1)~~
2 ~~12-7-107 (1);~~

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

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

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

26 (g) ~~Failure to report, to preserve without use and retain separately,~~
27 ~~or to return collateral taken as security on any bond to the principal,~~

1 ~~indemnitor, or depositor of such collateral;~~ FURNISHED BAIL IN ANY
2 COURT IN THIS STATE IN AN AMOUNT GREATER THAN TWICE THE AMOUNT
3 OF THE PROFESSIONAL CASH-BAIL AGENT'S BOND POSTED WITH THE
4 DIVISION.

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

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

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

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

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

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

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

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

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

1 ENUMERATED IN THIS SECTION.

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

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

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

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

25 (II) IN ORDER TO AID THE COMMISSIONER IN ANY HEARING OR
26 INVESTIGATION INSTITUTED UNDER THIS SECTION, THE COMMISSIONER OR
27 AN ADMINISTRATIVE LAW JUDGE APPOINTED BY THE COMMISSIONER MAY

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

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

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

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

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

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

13 (8) A FINAL ACTION OF THE COMMISSIONER IS SUBJECT TO JUDICIAL
14 REVIEW BY THE COURT OF APPEALS PURSUANT TO SECTION 24-4-106 (11),
15 C.R.S. A JUDICIAL PROCEEDING TO ENFORCE AN ORDER OF THE
16 COMMISSIONER MAY BE INSTITUTED IN ACCORDANCE WITH SECTION
17 24-4-106 (3), C.R.S.

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

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

1 DESIST SUCH ACTIVITY. THE ORDER MUST SET FORTH THE STATUTES AND
2 RULES ALLEGED TO HAVE BEEN VIOLATED, THE FACTS ALLEGED TO HAVE
3 CONSTITUTED THE VIOLATION, AND THE REQUIREMENT THAT ALL
4 UNLAWFUL ACTS OR UNREGISTERED PRACTICES IMMEDIATELY CEASE.

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

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

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

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

9 (II) IF A PERSON AGAINST WHOM AN ORDER TO SHOW CAUSE HAS
10 BEEN ISSUED DOES NOT APPEAR AT THE HEARING, THE COMMISSIONER MAY
11 PRESENT EVIDENCE THAT NOTIFICATION WAS PROPERLY SENT OR SERVED
12 ON THE PERSON UNDER THIS SUBSECTION (11) AND SUCH OTHER EVIDENCE
13 RELATED TO THE MATTER AS THE COMMISSIONER DEEMS APPROPRIATE.
14 THE COMMISSIONER SHALL ISSUE THE ORDER WITHIN TEN DAYS AFTER THE
15 COMMISSIONER'S DETERMINATION RELATED TO REASONABLE ATTEMPTS TO
16 NOTIFY THE RESPONDENT, AND THE ORDER SHALL BECOME FINAL AS TO
17 THAT PERSON BY OPERATION OF LAW. THE COMMISSIONER SHALL
18 CONDUCT THE HEARING IN ACCORDANCE WITH SECTIONS 24-4-104 AND
19 24-4-105, C.R.S.

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

27 (IV) THE COMMISSIONER SHALL PROVIDE NOTICE, IN THE MANNER

1 SET FORTH IN THIS SUBSECTION (11), OF THE FINAL CEASE-AND-DESIST
2 ORDER WITHIN TEN CALENDAR DAYS AFTER THE HEARING IS CONDUCTED
3 TO EACH PERSON AGAINST WHOM THE FINAL ORDER HAS BEEN ISSUED. THE
4 FINAL ORDER ISSUED IS EFFECTIVE WHEN ISSUED AND IS A FINAL ORDER
5 FOR PURPOSES OF JUDICIAL REVIEW.

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

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

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

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

1 (a) ~~Specify, suggest, or advise the employment of any particular~~
2 ~~attorney to represent such licensee's principal;~~ EXCEPT FOR THE BOND FEE,
3 TO FAIL TO RETURN ANY NONFORFEITED COLLATERAL OR SECURITY WITHIN
4 TEN WORKING DAYS AFTER RECEIPT OF A COPY OF THE COURT ORDER THAT
5 RESULTS IN A RELEASE OF THE BOND BY THE COURT, UNLESS:

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

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

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

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

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

26 (d) ~~Pay a fee or rebate or give or promise to give anything of value~~
27 ~~to the person on whose bond such licensee is surety;~~ FAIL TO POST A BOND

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

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

25 (e) ~~Accept anything of value from a person on whose bond such~~
26 ~~licensee is surety or from others on behalf of such person except the fee~~
27 ~~or premium on the bond, but the bail bonding agent may accept collateral~~

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

7 (I) No collateral or security in tangible property is taken by pledge
8 or debt instrument which allows retention, sale, or other disposition of
9 such property upon default except in accordance with the provisions of
10 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;

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

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

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

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

1 ~~(h) to (j) Repealed.~~

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

1 commissioner shall forfeit a qualification bond in the amount necessary
2 to pay any final, nonappealable judgment award for failure to return
3 collateral, including costs and attorney's fees, if awarded.

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

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

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

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

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

26 (3) Any A person who acts or attempts to act as a bail bonding
27 PROFESSIONAL CASH-BAIL AGENT OR CASH-BONDING agent and who is not

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

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

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

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

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

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

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

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

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

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

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

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

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

26 (a) "Bail insurance company" means an insurer as defined in
27 section 10-1-102 (13), C.R.S., engaged in the business of writing bail

1 appearance bonds through bonding agents, which company is subject to
2 regulation by the division of insurance in the department of regulatory
3 agencies.

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

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

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

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

17 (43) The following agencies, functions, or both, ~~shall~~ terminate on July
18 1, 2012:

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

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

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

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

27 **SECTION 45.** In Colorado Revised Statutes, 2-3-1203, **repeal** (3)

1 (z) (III) as follows:

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

5 (z) July 1, 2013:

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

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

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

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

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

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

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

22 **SECTION 48. Appropriation - adjustments in 2012 long bill.**
23 For the implementation of this act, the cash funds appropriations made in
24 the annual general appropriation act to the department of regulatory
25 agencies for the fiscal year beginning July 1, 2012, for the division of
26 insurance, is decreased by \$3,930 and 0.1 FTE. Said sum is from the
27 division of insurance cash fund created in section 10-1-103 (3), Colorado

1 Revised Statutes.

2 **SECTION 49. Effective date - applicability.** This act takes
3 effect July 1, 2012, and applies to offenses committed and applications
4 submitted on or after said date.

5 **SECTION 50. Safety clause.** The general assembly hereby finds,
6 determines, and declares that this act is necessary for the immediate
7 preservation of the public peace, health, and safety.