

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

Judiciary
Finance

A BILL FOR AN ACT

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

Bill Summary

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

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

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

HOUSE
3rd Reading Unamended
April 24, 2012

HOUSE
Amended 2nd Reading
April 23, 2012

applies to cash bonding agents and professional cash bail agents. A prohibition against licensing firms is repealed. Bail-related transactions are required to be made on forms approved by the division of insurance.

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

2 **SECTION 1.** In Colorado Revised Statutes, 10-1-102, **amend** (3);
3 **and add** (3.5) and (3.7) as follows:

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

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

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

15 (3.7) "BAIL RECOVERY" MEANS ACTIONS TAKEN BY A PERSON
16 OTHER THAN A PEACE OFFICER TO APPREHEND AN INDIVIDUAL OR TAKE AN
17 INDIVIDUAL INTO CUSTODY BECAUSE OF THE INDIVIDUAL'S FAILURE TO
18 COMPLY WITH BAIL CONDITIONS.

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

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

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

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

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

1 (48), C.R.S.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

16 ==

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

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

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

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

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

7 (2) IF, DURING THE REPORTING PERIOD FROM JULY 1, 2012, TO
8 JUNE 30, 2013, OR ANY YEAR THEREAFTER, THE INSURANCE PRODUCER,
9 THE STATE JUDICIAL DEPARTMENT, REPRESENTATIVES OF LAW
10 ENFORCEMENT, AND REPRESENTATIVES OF COUNTY GOVERNMENT
11 COMPLETE THE DESIGN OF AN INSTRUMENT, SYSTEM, OR OTHER METHOD
12 OF PROPER VERIFICATION OF THE ACTIONS OF AN INSURANCE PRODUCER IN
13 RETURNING THE DEFENDANT TO CUSTODY OR TO THE COURT FOR FURTHER
14 PROCEEDINGS FOLLOWING A FAILURE TO APPEAR ON A POSTED BOND, THEN
15 THE INSURANCE PRODUCER MAY REPORT THE FOLLOWING:

16 (a) THE NUMBER OF DEFENDANTS WHO WERE RETURNED TO COURT
17 THROUGH THE ACTIONS OF THE INSURANCE PRODUCER OR THE PRODUCER'S
18 AGENT AFTER FAILURE TO APPEAR;

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

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

24 (3) IN THE ANNUAL REPORT REQUIRED BY THIS SECTION, THE
25 INSURANCE PRODUCER SHALL SIGN AND AFFIRM THE INFORMATION
26 SUBMITTED IS TRUE AND ACCURATE TO THE BEST OF THE PRODUCER'S
27 KNOWLEDGE.

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

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

4 **10-2-415.7. Termination of insurance producer bail bonding**
5 **agent - notice - penalty.** (2) If the termination of an agent's appointment
6 is for any of the causes listed in section 10-1-128 OR 10-2-801, ~~12-7-106,~~
7 ~~or 12-7-109, C.R.S.,~~ the insurer shall notify the commissioner of the
8 reason and, if the commissioner so requests, the insurer shall provide any
9 information, records, statements, or other data pertaining to the
10 termination that may be used by the division in any action taken pursuant
11 to sections UNDER SECTION 10-2-801. and ~~12-7-106, C.R.S.~~

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

14 **10-2-418. Bail bonding authority.** (1) THE DIVISION SHALL
15 ADVISE STATE COURT ADMINISTRATORS THAT A PERSON MAY FURNISH A
16 BAIL BOND IF THE PERSON IS A LICENSED INSURANCE PRODUCER WITH A
17 POWER OF ATTORNEY FROM AN INSURANCE COMPANY, APPEARS ON THE
18 DIVISION'S WEB SITE AS AN ACTIVE INSURANCE PRODUCER WITH CASUALTY
19 AUTHORITY, AND IS APPOINTED BY THAT INSURANCE COMPANY.

20 (2) THE DIVISION SHALL ISSUE CREDENTIALS TO EACH INSURANCE
21 PRODUCER WHO IS APPOINTED BY A BAIL INSURANCE COMPANY THAT
22 CLEARLY IDENTIFIES THE PERSON AS HOLDING AUTHORITY TO ACT AS A
23 BAIL BOND AGENT.

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

26 **10-2-502. Nonresident licensing - qualification.** (1) Except for
27 ~~individuals or entities writing bail,~~ The commissioner may qualify an

1 applicant as a nonresident, unless the applicant is denied licensure
2 pursuant to section 10-2-801, and shall issue an insurance producer
3 license to any qualified nonresident person in accordance with the
4 following:

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

7 **10-2-702. Commissions.** (2) ~~Except for individuals or entities~~
8 ~~writing bail,~~ An insurer or insurance producer may pay or assign
9 commissions, service fees, brokerages, or other valuable consideration to
10 an insurance agency, business entity, or persons who do not sell, solicit,
11 or negotiate insurance in this state, unless the payment would violate
12 section 10-3-1104 (1) (g).

13 **SECTION 16.** In Colorado Revised Statutes, **add 10-2-705,**
14 **10-2-706, and 10-2-707** as follows:

15 **10-2-705. Bail bond documents - requirements - rules.** (1) THE
16 INSURANCE PRODUCER WHO POSTS A BAIL BOND WITH THE COURT ON
17 BEHALF OF A DEFENDANT SHALL ENSURE THAT THE FOLLOWING
18 DOCUMENTS COMPLY WITH THE FOLLOWING PROVISIONS:

- 19 (a) AN INDEMNITY AGREEMENT MUST:
- 20 (I) BE IN WRITING;
- 21 (II) BE SIGNED BY THE PRODUCER;
- 22 (III) BE SIGNED BY THE DEFENDANT OR INDEMNITOR;
- 23 (IV) SET FORTH THE AMOUNT OF BAIL SET IN THE CASE, THE NAME
24 OF THE DEFENDANT RELEASED ON THE BAIL BOND, THE COURT CASE
25 NUMBER IF AVAILABLE, THE COURT WHERE THE BOND IS EXECUTED, THE
26 PREMIUM CHARGED, THE AMOUNT AND TYPE OF COLLATERAL HELD BY THE
27 INSURANCE PRODUCER, AND THE CONDITIONS UNDER WHICH THE

1 COLLATERAL IS RETURNED;
2 (V) CONTAIN DOCUMENTATION THAT THE INDEMNITOR HAS
3 RECEIVED COPIES OF SIGNED AND DATED DISCLOSURE FORMS; AND
4 (VI) IF THE DEFENDANT OR INDEMNITOR IS ILLITERATE OR DOES
5 NOT READ ENGLISH, CONTAIN A NOTE ON THE INDEMNITY AGREEMENT
6 THAT THE PRODUCER OR A THIRD PARTY HAS READ OR TRANSLATED THE
7 AGREEMENT TO THE DEFENDANT OR INDEMNITOR AND BE AFFIXED WITH
8 AN AFFIDAVIT TO THE INDEMNITY AGREEMENT ATTESTING THAT THE
9 DOCUMENT WAS TRANSLATED;
10 (b) A PROMISSORY NOTE MUST BE:
11 (I) IN WRITING;
12 (II) SIGNED BY THE PRODUCER; AND
13 (III) SIGNED BY THE DEFENDANT OR INDEMNITOR;
14 (c) A COLLATERAL RECEIPT MUST:
15 (I) BE DATED;
16 (II) BE IN WRITING;
17 (III) BE SIGNED BY THE PRODUCER;
18 (IV) BE SIGNED BY THE DEFENDANT OR INDEMNITOR;
19 (V) BE PRENUMBERED;
20 (VI) CONTAIN A FULL DESCRIPTION OF THE COLLATERAL,
21 INCLUDING THE CONDITION OF THE COLLATERAL AT THE TIME IT IS TAKEN
22 INTO CUSTODY; AND
23 (VII) STATE THE PURPOSE FOR WHICH IT WAS RECEIVED;
24 (d) A BAIL BOND REVOCATION REQUEST MUST BE:
25 (I) DATED;
26 (II) IN WRITING;
27 (III) SIGNED BY THE PRODUCER; AND

1 (IV) SIGNED BY THE DEFENDANT OR INDEMNITOR.

2 (2) (a) BEFORE ACCEPTING CONSIDERATION, THE INSURANCE
3 PRODUCER WHO WRITES BAIL BONDS SHALL COMMIT TO WRITING, SIGN,
4 DATE, AND OBTAIN THE DEFENDANT'S OR INDEMNITOR'S SIGNATURE ON AN
5 ARRANGEMENT FOR THE PAYMENT OF ALL OR PART OF THE PREMIUM,
6 COMMISSION, OR FEE, INCLUDING THE PAYMENT SCHEDULE. THE
7 SIGNATURE OF THE INSURANCE PRODUCER WHO WRITES BAIL BONDS IS NOT
8 AN OBLIGATION TO PAY ANY DEBT OWED TO A LENDER. TO BE
9 ENFORCEABLE, INTEREST AND FINANCIAL CHARGES ON ANY UNPAID
10 PREMIUM MUST COMPLY WITH THE "UNIFORM CONSUMER CREDIT CODE",
11 ARTICLES 1 TO 9 OF TITLE 5, C.R.S.

12 (b) BEFORE ACCEPTING CONSIDERATION OR TAKING COLLATERAL,
13 THE INSURANCE PRODUCER WHO WRITES BAIL BONDS SHALL PROVIDE, IN
14 A FORM PRESCRIBED BY THE COMMISSIONER, A DISCLOSURE STATEMENT
15 TO EACH DEFENDANT AND INDEMNITOR DETAILING THE TERMS OF THE BAIL
16 BOND.

17 (3) (a) AN INSURANCE PRODUCER WHO POSTS A BAIL BOND WITH
18 THE COURT AND WHO ACCEPTS CONSIDERATION FOR A BAIL BOND OR
19 UNDERTAKING SHALL, FOR EACH PAYMENT RECEIVED, PROVIDE TO THE
20 PERSON TENDERING PAYMENT A PRENUMBERED, SIGNED RECEIPT
21 CONTAINING THE FOLLOWING:

22 (I) THE DATE;

23 (II) THE DEFENDANT'S NAME;

24 (III) A DESCRIPTION OF THE CONSIDERATION AND AMOUNT OF
25 MONEY RECEIVED;

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

27 (V) THE NUMBER OF ANY POWER-OF-ATTORNEY FORM ATTACHED

1 TO THE BAIL BOND;
2 (VI) THE PENAL SUM OF THE BAIL BOND;
3 (VII) THE NAME OF THE PERSON TENDERING PAYMENT; AND
4 (VIII) THE TERMS UNDER WHICH THE MONEY OR OTHER
5 CONSIDERATION IS RELEASED.
6 (b) THE INSURANCE PRODUCER WHO POSTS A BAIL BOND WITH THE
7 COURT SHALL "PROVIDE THE PERSON TENDERING PAYMENT A SIGNED AND
8 DATED RECEIPT FOR EACH PREMIUM PAYMENT LISTING THE AMOUNT PAID.
9 (4) THE INSURANCE PRODUCER SHALL PREPARE OR EXECUTE
10 SEPARATE AGREEMENTS AND DOCUMENTS FOR EACH TIME THE PRODUCER
11 POSTS A BAIL BOND WITH THE COURT. THE PRODUCER SHALL GIVE THE
12 INDEMNITOR A COPY OF EACH DOCUMENT EXECUTED IN THE COURSE OF
13 THE BAIL BOND TRANSACTION.
14 (5) FOR THREE YEARS AFTER THE DATE OF DISCHARGE OF A BAIL
15 BOND AND RETURN OF ANY COLLATERAL OR PROOF OF NOTICE TO THE
16 DEFENDANT OR INDEMNITOR THAT ANY PROMISSORY NOTE HAS BEEN
17 SATISFIED, THE INSURANCE PRODUCER WHO POSTS THE BAIL BOND WITH
18 THE COURT SHALL KEEP AT THE PRODUCER'S BUSINESS COPIES OF EACH
19 RECEIPT, INDEMNITY AGREEMENT, BOND, DISCLOSURE STATEMENT,
20 PAYMENT PLAN, BOND REVOCATION REQUEST, OR OTHER DOCUMENT OR
21 INFORMATION RELATED TO THE BOND TRANSACTION THE COMMISSIONER
22 REASONABLY REQUIRES BY RULE AND SHALL MAKE THESE DOCUMENTS
23 AVAILABLE FOR INSPECTION BY THE COMMISSIONER OR THE
24 COMMISSIONER'S AUTHORIZED REPRESENTATIVE DURING NORMAL
25 BUSINESS HOURS.
26 (6) THE INDEMNITOR MAY BE THE DEFENDANT.
27 (7) THE COMMISSIONER MAY EXAMINE THE BUSINESS PRACTICES,

1 BOOKS, AND RECORDS OF ANY INSURANCE PRODUCER AS OFTEN AS THE
2 COMMISSIONER DEEMS APPROPRIATE.

3 **10-2-706. Insurance producer designee - responsibility.** AN
4 INSURANCE PRODUCER MAY USE ANOTHER PROPERLY LICENSED AND
5 APPOINTED INSURANCE PRODUCER AS AN AGENT TO COMPLY WITH THE
6 REQUIREMENTS OF THIS SECTION, BUT THE INSURANCE PRODUCER WHO
7 POSTS THE BAIL BOND WITH THE COURT IS RESPONSIBLE FOR COMPLIANCE
8 WITH THIS SECTION AND IS SUBJECT TO DISCIPLINE FOR NONCOMPLIANCE
9 WITH ANY PROVISION OF THIS SECTION.

10 **10-2-707. Business practices - price limits - collateral.** (1) AN
11 INSURANCE PRODUCER WHO WRITES BAIL BONDS SHALL NOT CHARGE A
12 PREMIUM OR COMMISSION OF MORE THAN THE GREATER OF FIFTY DOLLARS
13 OR FIFTEEN PERCENT OF THE AMOUNT OF BAIL FURNISHED. AN INSURANCE
14 PRODUCER WHO WRITES BAIL BONDS SHALL NOT ASSESS FEES FOR ANY
15 BAIL BOND POSTED BY THE PRODUCER WITH THE COURT UNLESS THE FEE
16 IS FOR PAYMENT OF A BAIL BOND FILING CHARGED BY A COURT OR LAW
17 ENFORCEMENT AGENCY, THE FEE IS FOR THE ACTUAL COST OF STORING
18 COLLATERAL IN A SECURE, SELF-SERVICE PUBLIC STORAGE FACILITY, OR
19 THE FEE IS FOR PREMIUM FINANCING.

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

25 (a) COMPLIANCE WITH THE BOND ISSUED ON BEHALF OF THE
26 PRINCIPAL;

27 (b) ANY BALANCE DUE ON THE PREMIUM, COMMISSION, OR FEE FOR

1 THE BAIL BOND; AND

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

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

6 **10-2-801. Licenses - denial, suspension, revocation,**
7 **termination - reporting of actions - definitions.** (1) The commissioner
8 may place an insurance producer on probation; suspend, revoke, or refuse
9 to issue, continue, or renew an insurance producer license; order
10 restitution to be paid from an insurance producer; or assess a civil penalty
11 pursuant to section 10-2-804 or 10-3-1108, if, after notice to the insurance
12 producer licensee and after a hearing held in accordance with sections
13 24-4-104 and 24-4-105, C.R.S., the commissioner finds that as to the
14 licensee or applicant any one or more of the following conditions exist:

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

19 (q) PROFITING EITHER DIRECTLY OR INDIRECTLY FROM THE
20 BUSINESS OF A CASH-BONDING AGENT OR PROFESSIONAL CASH-BAIL AGENT
21 UNLESS THE PERSON PROFITING IS REGISTERED AS A CASH-BONDING AGENT
22 OR PROFESSIONAL CASH-BAIL AGENT AND THE PROFIT IS DERIVED FROM
23 THEIR OWN BUSINESS.

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

26 **10-3-101. Formation of insurance companies.** (2) When not
27 less than the amount required by section 10-3-201 has been paid in by the

1 incorporators and deposited with the commissioner, as provided for in
2 this title (except article 15) ~~article 7 of title 12~~, and article 14 of title 24,
3 C.R.S., the commissioner shall cause an examination to be made either by
4 the commissioner or some disinterested person especially appointed by
5 the commissioner for the purpose, who shall certify that said provisions
6 have been complied with by said company, as far as applicable thereto.
7 Such certificate shall be filed in the office of the commissioner, who shall
8 thereupon deliver to such company a certified copy thereof, which,
9 together with a copy of the articles of incorporation, shall be filed in the
10 office of the recorder of deeds of the county wherein the company is to
11 be located, before the authority to commence business is granted. Any
12 filings required to be made with the commissioner pursuant to this
13 subsection (2) may be in an electronic format.

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

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

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

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

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

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

1 instrument, except amendments to said articles of incorporation or
2 charter, in the office of the secretary of state or to pay to the secretary of
3 state an annual corporation tax. The filings required pursuant to this
4 section may be made in an electronic format.

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

7 **10-3-111. Violations - penalty.** Except for violations of section
8 10-3-104 or article 15 of this title, any officer, director, stockholder,
9 attorney, or agent of any corporation or association who violates any of
10 the provisions of this title ~~article 7 of title 12,~~ and article 14 of title 24,
11 C.R.S., who participates in or aids, abets, or advises or consents to any
12 such violation, and any person who solicits or knowingly receives any
13 money or property in violation of said references, is guilty of a
14 misdemeanor and, upon conviction thereof, shall be punished by
15 imprisonment in the county jail for not more than one year and by a fine
16 of not more than one thousand dollars, and any officer aiding or abetting
17 in any contribution made in violation of said references is liable to the
18 company or association for the amount so contributed. No person shall be
19 excused from attending and testifying or producing any books, papers, or
20 other documents, before any court, upon any investigation, proceeding,
21 or trial, for a violation of any of the provisions of said references upon the
22 ground or for the reason that the testimony or evidence, documentary or
23 otherwise, required of such person may tend to incriminate or degrade
24 him or her; but no person shall be prosecuted or subjected to any penalty
25 or forfeiture for or on account of any transaction, matter, or thing
26 concerning which he or she may so testify or produce evidence,
27 documentary or otherwise, and no testimony so given or produced shall

1 be used against him or her upon any criminal investigation or proceeding.

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

4 **10-3-113. Increase of capital.** (2) The provisions of this title
5 (except article 15) ~~article 7 of title 12~~, and article 14 of title 24, C.R.S.,
6 ~~shall~~ also apply in the formation and authorization of domestic insurance
7 companies formed upon the mutual plan, and to associations formed upon
8 the assessment plan, that are organized with a guaranty fund in lieu of
9 capital as provided in said references.

10 **SECTION 24.** In Colorado Revised Statutes, 10-3-123, **amend**
11 (2), (5), and (7) as follows:

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

27 (5) Any corporation organized under the authority of any other

1 state or government to issue policies or certificates of casualty insurance
2 on the assessment plan, as a condition precedent to transacting business
3 in this state, shall pay such fees and comply with the same requirements
4 as exacted of stock casualty insurance companies of other states or
5 countries, as provided by this title (except article 15) ~~article 7 of title 12,~~
6 and article 14 of title 24, C.R.S., and thereafter be subject to the same
7 general laws and penalties of this title, unless otherwise provided in this
8 section, and it shall deposit with the commissioner or with the proper
9 official of some other state, for the protection of all its policyholders, a
10 sum not less than that required to be deposited by domestic casualty
11 insurance companies organized upon the mutual assessment plan. Such
12 corporation shall also file with the commissioner a copy of its policies or
13 certificates and applications therefor, for approval by the commissioner,
14 and a sworn statement from the proper officers of such corporation that
15 they have received a copy of this section, and shall be governed thereby
16 in issuing policies or certificates in this state. The commissioner may
17 thereupon issue or renew the authority of such corporation to do business
18 in this state.

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

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

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

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

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

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

27 **10-3-208. Financial statements.** (1) All insurance companies

1 doing business in this state, unless otherwise provided in this title (except
2 article 15) ~~article 7 of title 12~~, and article 14 of title 24, C.R.S., shall
3 make and file with the commissioner annually, on or before the first day
4 of March in each year, a statement under oath, upon a form to be
5 prescribed by the commissioner, stating the amount of all premiums
6 collected or contracted for in this state or from residents thereof, in cash
7 or notes, by the company making such statement during the year ending
8 the last day of December next preceding; the amounts actually paid
9 policyholders on losses and the amounts paid policyholders as returned
10 premiums by property and casualty insurance companies; the amount of
11 insurance reinsured in other companies authorized to do business in this
12 state and the amount of premiums paid therefor; the amount of insurance
13 reinsured in companies, naming them, not authorized to do business in
14 this state and the amount of premiums paid therefor; and the amount of
15 reinsurance accepted from admitted companies and the premiums
16 received from such reinsurance on residents of this state or risks located
17 in this state, with the name of the companies so reinsured. The annual
18 statement made to the commissioner pursuant to this section or other
19 provisions of said references shall at least include the substance of that
20 which is required by what is known as the convention blank form adopted
21 from year to year by the national association of insurance commissioners,
22 including any instructions, procedures, and guidelines not in conflict with
23 any provision of this title for completing the convention blank form.

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

26 **10-3-209. Tax on premiums collected - exemptions - penalties.**

27 (1) (c) The taxes prescribed in paragraph (b) of this subsection (1) shall

1 constitute all taxes collectible under the laws of this state against any such
2 insurance companies, and no other occupation tax or other taxes shall be
3 levied or collected from any insurance company by any county, city, or
4 town within this state; but this title (except article 15) ~~article 7 of title 12,~~
5 and article 14 of title 24, C.R.S., shall not be construed to prohibit the
6 levy and collection of state, county, school, and municipal taxes upon the
7 real and personal property of such companies, nor shall it include or
8 prohibit the levy and collection of a tax to be paid on net workers'
9 compensation premiums, as provided under the "Colorado Medical
10 Disaster Insurance Fund Act", part 3 of article 46 of title 8, C.R.S.

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

13 **10-3-213. Investments eligible as admitted assets.** (1) Domestic
14 insurance companies may invest their funds in the categories of assets
15 described in sections 10-3-215 to 10-3-230 and 10-3-242. Every such
16 investment shall be an admitted asset of the company; except that, if the
17 section describing a category of asset contains a quantitative limitation,
18 an investment in that category of asset shall be an admitted asset under
19 that section to the extent that it does not exceed such limitation. Any such
20 limitation shall apply only with respect to the category of assets described
21 in that section and shall not constitute a general prohibition and shall not
22 be applicable to any other section. Except as provided in section
23 10-3-237, any investment, or part thereof, that does not qualify under any
24 of said sections shall not be an admitted asset under the provisions of this
25 part 2. Except as specifically provided in this title (except article 15)
26 ~~article 7 of title 12,~~ and article 14 of title 24, C.R.S., a domestic insurance
27 company shall not be prohibited from acquiring or holding an asset that

1 is not an admitted asset, and such company may lend, pledge, sell,
2 transfer, assign, hypothecate, dispose of, or exchange any asset acquired
3 by it.

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

6 **10-3-214. Quantitative investment limitations - manner of**
7 **applying.** In applying the investment limitations set forth in this part 2,
8 which are expressed as percentages of a company's admitted assets, there
9 shall be used as a base the total of all assets of the company that would be
10 admitted under this title (except article 15) ~~article 7 of title 12~~, and article
11 14 of title 24, C.R.S., without regard to such limitations and without
12 regard to any condition or restriction set forth in section 10-3-237 (2), and
13 asset values will be those values determined at the current annual
14 statement date or, in case of any statement or examination as of a date
15 other than an annual statement date, those values determined at such other
16 date. In applying any investment limitation set forth in this part 2, which
17 is expressed as a percentage of a company's surplus, the amount of the
18 company's surplus shall be that determined at the current annual statement
19 date or, in the case of any statement or examination as of a date other than
20 an annual statement date, the amount determined at such other date.

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

23 **10-3-230. Additional investments.** (1) Domestic insurance
24 companies may invest in any additional investments, except items
25 specifically defined as nonadmitted assets in this title (except article 15)
26 ~~article 7 of title 12~~, and article 14 of title 24, C.R.S., without regard to any
27 limitation, condition, restriction, or exclusion set forth in sections

1 10-3-215 to 10-3-229 and 10-3-242, and regardless of whether the same
2 or a similar type of investment has been included in or omitted from any
3 such section, subject to the following provisions:

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

6 **10-3-235. Certain admitted assets deemed securities for**
7 **deposit purposes.** (2) For purposes of optional reserve deposits
8 permitted by section 10-7-101 (3) or other deposits permitted but not
9 required by this title (except article 15) ~~article 7 of title 12~~, and article 14
10 of title 24, C.R.S., the following admitted assets, in addition to those
11 referred to in subsection (1) of this section, shall be deemed to be
12 securities eligible for such deposits: Any asset qualified as an admitted
13 asset under section 10-3-220 or 10-3-226 to 10-3-228, and any life
14 insurance policy, to the extent of the company's interest in the cash value
15 thereof.

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

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

25 **10-3-236. Assets acquired through merger, consolidation, or**
26 **reinsurance.** Any investments acquired after May 31, 1969, through
27 merger, consolidation, or reinsurance that are not admitted assets under

1 this title (except article 15) ~~article 7 of title 12~~, and article 14 of title 24,
2 C.R.S., shall not be deemed admitted assets by reason of their acquisition
3 through merger, consolidation, or reinsurance.

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

6 **10-3-237. Assets acquired under prior law.**

7 (2) Notwithstanding any other provision of this title (except article 15)
8 ~~article 7 of title 12~~, and article 14 of title 24, C.R.S., any asset held by a
9 company on May 31, 1969, that is not an admitted asset under section
10 10-1-102 (2) or subsection (1) of this section and that did not meet the
11 requirements of the law in effect immediately prior to such date for an
12 investment of the company's reserves, paid-up capital stock, and other
13 liabilities but which, under such law, would have been taken into account
14 as an asset in determining the surplus of the company shall be taken into
15 account as an admitted asset at all times at which the company has
16 aggregate admitted assets under section 10-1-102 (2) and subsection (1)
17 of this section in an amount at least equal to the total of its reserves,
18 paid-up capital stock, and all other liabilities.

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

21 **10-3-238. Refunds.** Whenever it appears to the satisfaction of the
22 commissioner that, because of some mistake of fact, error in calculation,
23 or erroneous interpretation of a statute of this or any other state, any
24 insurer or other person engaged in the business of insurance in this state
25 has paid to the commissioner or to the state of Colorado, pursuant to any
26 provision of this title (except article 15) ~~article 7 of title 12~~, and article 14
27 of title 24, C.R.S., any taxes, fees, or other charges in excess of the

1 amount legally chargeable against said insurer or other person during the
2 one-year period immediately preceding the discovery of such
3 overpayment, the commissioner has the authority to refund to such insurer
4 or other person the amount of such excess by applying the amount thereof
5 toward the payment of taxes, fees, or other charges already due, or that
6 may thereafter become due, from such insurer or other person until such
7 excess has been fully refunded; or, at the commissioner's discretion, the
8 commissioner may make a cash refund thereof.

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

11 **10-3-903. Definition of transacting insurance business.** (1) Any
12 of the following acts in this state, effected by mail or otherwise, by an
13 unauthorized insurer constitute transacting insurance business in this state
14 as ~~such~~ THE term is used in section 10-3-105:

15 (j) FUNDING, EITHER DIRECTLY OR INDIRECTLY, THE CASH
16 QUALIFICATION BOND OF A CASH-BONDING AGENT OR PROFESSIONAL
17 CASH-BAIL AGENT WHEN THE MEANS DO NOT CONSTITUTE AN
18 ARM'S-LENGTH TRANSACTION UNDER REASONABLE COMMERCIAL
19 STANDARDS OR WHERE THE AGREEMENT TO REPAY IS CONTINGENT ON THE
20 VOLUME OR VALUE OF THE BONDS POSTED.

21 (k) EXCEPT FOR PAYMENTS FROM THE DEFENDANT OR A
22 THIRD-PARTY INDEMNITOR WHO APPLIED FOR THE BOND, PAYING, EITHER
23 DIRECTLY OR INDIRECTLY, FOR THE FORFEITURE OF A BAIL BOND POSTED
24 BY A CASH-BONDING AGENT OR PROFESSIONAL CASH-BAIL AGENT WHEN
25 THE PAYMENT IS MADE BY A PERSON OTHER THAN THE CASH-BONDING
26 AGENT OR PROFESSIONAL CASH-BAIL AGENT THAT POSTED THE BAIL BOND.

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

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

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

7 **10-3-1104. Unfair methods of competition - unfair or deceptive**
8 **acts or practices.** (1) The following are defined as unfair methods of
9 competition and unfair or deceptive acts or practices in the business of
10 insurance:

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

16 (nn) UNLESS THE INDEMNITOR CONSENTS IN WRITING OTHERWISE,
17 FAILURE TO POST A BAIL BOND WITHIN TWENTY-FOUR HOURS AFTER
18 RECEIPT OF FULL PAYMENT OR A SIGNED CONTRACT FOR PAYMENT, AND IF
19 THE BAIL BOND IS NOT POSTED WITHIN TWENTY-FOUR HOURS AFTER
20 RECEIPT OF FULL PAYMENT OR A SIGNED CONTRACT FOR PAYMENT,
21 FAILURE TO REFUND ALL MONEYS RECEIVED, RELEASE ALL LIENS, AND
22 RETURN ALL COLLATERAL WITHIN SEVEN DAYS AFTER RECEIPT OF GOOD
23 FUNDS.

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

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

3 (qq) FAILURE TO PAY A FINAL, NONAPPEALABLE JUDGMENT
4 AWARD FOR FAILURE TO RETURN OR REPAY COLLATERAL RECEIVED TO
5 SECURE A BOND.

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

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

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

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

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

8 **SECTION 40.** In Colorado Revised Statutes, **repeal** article 7 of
9 title 12.

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

12 **ARTICLE 23**

13 **Cash Bonding Agents**

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

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

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

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

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

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

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

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

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

20 (5) Repealed.

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

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

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

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

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

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

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

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

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

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

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

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

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

3 (6) (a) The division shall notify each bail bonding agent in writing
4 on an annual basis regarding changes to the state laws regarding the
5 regulation of bail bonding agents. EACH PROFESSIONAL CASH-BAIL AGENT
6 AND CASH-BONDING AGENT SHALL SUBMIT AN ANNUAL REPORT COVERING
7 JULY 1 TO JUNE 30, NO LATER THAN OCTOBER 1 OF THE FOLLOWING YEAR,
8 FOR BAIL BONDS POSTED IN COLORADO BY THE PRODUCER DURING THE
9 REPORTING PERIOD:

10 (I) THE NUMBER OF BAIL BONDS POSTED WITH A COURT;

11 (II) THE NUMBER OF BAIL BONDS DISCHARGED BY A COURT;

12 (III) THE NUMBER OF BAIL BONDS DISCHARGED BY A COURT FOR
13 WHICH THE DEFENDANT APPEARED FOR ALL SCHEDULED COURT
14 APPEARANCES FOR THE DURATION OF THE BOND; AND

15 (IV) THE NUMBER OF BAIL BONDS DISCHARGED BY A COURT FOR
16 WHICH THE DEFENDANT'S BOND WAS REVOKED BY A COURT AT THE
17 REQUEST OF THE PRODUCER FOR ANY REASON OTHER THAN FAILURE TO
18 APPEAR.

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

1 (I) THE NUMBER OF DEFENDANTS WHO WERE RETURNED TO COURT
2 THROUGH THE ACTIONS OF THE PROFESSIONAL CASH-BAIL AGENT OR
3 CASH-BONDING AGENT OR THE AGENTS THEREOF AFTER FAILURE TO
4 APPEAR;

5 (II) THE NUMBER OF DEFENDANTS WHO WERE RETURNED TO
6 CUSTODY BY ACTION OF THE PROFESSIONAL CASH-BAIL AGENT OR
7 CASH-BONDING AGENT OR THE AGENTS THEREOF AFTER FAILURE TO
8 APPEAR; AND

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

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

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

16

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

22 (a) ~~(Deleted by amendment, L. 96, p. 1179, § 4, effective June 1,~~
23 ~~1996.)~~

24 (b) ~~Repealed.~~

25 (c) (a) Whether the applicant DURING THE LAST TEN YEARS has
26 been convicted of a felony, entered a guilty plea to a felony, accepted a
27 plea of nolo contendere to a felony, or engaged in or committed an act

1 ~~described in section 12-7-106 (1) during the previous ten years THAT~~
2 ~~VIOLATES THIS ARTICLE, A RULE PROMULGATED UNDER THIS ARTICLE, OR~~
3 ~~ANY ACT THAT WOULD VIOLATE THIS ARTICLE OR A RULE PROMULGATED~~
4 ~~UNDER THIS ARTICLE IF IT HAD BEEN COMMITTED IN COLORADO; AND~~

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

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

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

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

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

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

27 ~~(III) Bail bonding agent licensed to write bail bonds as a cash~~

1 ~~bonding agent, as described in section 12-7-102 (1).~~

2 ~~(2) (Deleted by amendment, L. 96, p. 1179, § 4, effective June 1,~~
3 ~~1996.)~~

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

20 ~~(b) If the name of a cash bonding agent is placed on the board~~
21 ~~pursuant to section 16-4-112 (5) (e), C.R.S., and remains on the board for~~
22 ~~the same forfeiture for more than thirty consecutive days, the court that~~
23 ~~placed the name of the cash bonding agent on the board shall order the~~
24 ~~division to declare the qualification bond of such cash bonding agent to~~
25 ~~be forfeited after a hearing as provided in section 12-7-106 (2). The~~
26 ~~division shall then order the cash bonding agent on the qualification bond~~
27 ~~to deposit with the court an amount equal to the amount of the bond~~

1 issued by such cash bonding agent and declared forfeited by the court or
2 the amount of the qualification bond, whichever is the smaller amount.
3 The division shall suspend the license of such cash bonding agent until
4 such time as all forfeitures and judgments ordered and entered against the
5 cash bonding agent have been certified as paid or vacated by order of a
6 court of record and another qualification bond in the required amount is
7 posted with the division.

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

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

23 (8) (a) Each applicant who is to be authorized as a professional
24 cash bail agent pursuant to section 12-7-102 (1) shall be required to post
25 a qualification bond in the amount of no less than fifty thousand dollars
26 with the division. The bond shall be to the people of the state of Colorado
27 in favor of any court in this state, whether municipal, county, district, or

1 other court. Any qualification bond for a professional cash bail agent shall
2 also be to the commissioner and the division to fulfill the purposes of this
3 section. A professional cash bail agent shall not furnish a single bail
4 greater than twice the amount of the bond posted with the division. In the
5 event of a forfeiture of a professional cash bail agent's qualification bond,
6 the division shall have priority over all other claimants to such bond. Such
7 bond shall be conditioned upon full and prompt payment into the court
8 ordering such bond forfeited. Bail bonding agents authorized as
9 professional cash bail agents pursuant to section 12-7-102 (1) may only
10 issue bonds in accordance with the provisions of section 16-4-104 (1) (b)
11 (HH), C.R.S. In the event of a qualification bond forfeiture, a professional
12 cash bail agent shall be prohibited from writing new bail bonds until the
13 qualification bond is restored to at least fifty thousand dollars.

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

1 order of a court of record and another qualification bond in the required
2 amount is posted with the division.

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

8 **10-23-104. Fees.** (1) (a) EACH PROFESSIONAL CASH-BAIL AGENT
9 AND CASH-BONDING AGENT SHALL PAY AN APPLICATION FEE SET BY THE
10 DIVISION IN AN AMOUNT TO OFFSET THE DIRECT AND INDIRECT COST OF
11 PROCESSING REGISTRATION APPLICATIONS AND ISSUING A REGISTRATION.

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

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

24 (d) THE PREMIUM FEE IS DUE AND PAYABLE ON THE FIFTEENTH DAY
25 OF JANUARY IN EACH YEAR. ANY PROFESSIONAL CASH-BAIL AGENT OR
26 CASH-BONDING AGENT FAILING OR REFUSING TO RENDER A STATEMENT
27 AND INFORMATION, OR TO PAY THE FEE UNDER THIS SECTION, FOR MORE

1 THAN THIRTY DAYS AFTER THE TIME SPECIFIED, IS LIABLE FOR A PENALTY
2 OF UP TO ONE HUNDRED DOLLARS FOR EACH ADDITIONAL DAY OF
3 DELINQUENCY. THE DIVISION MAY ASSESS THE PENALTY AND INTEREST AT
4 A RATE OF ONE PERCENT PER MONTH OR FRACTION THEREOF ON THE
5 UNPAID AMOUNT FROM THE DATE WHEN PAYMENT WAS DUE TO THE DATE
6 WHEN FULL PAYMENT IS MADE. THE DIVISION MAY SUSPEND THE
7 REGISTRATION OF A DELINQUENT AGENT UNTIL ANY FEES, PENALTIES, AND
8 INTEREST ARE FULLY PAID.

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

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

19 **10-23-105. [Formerly 12-7-103 (3) (a)] Qualification bond -**
20 **forfeiture.** (1) ~~Each applicant who is to be authorized as a cash-bonding~~
21 ~~agent pursuant to section 12-7-102 (1) shall be required to post a CASH~~
22 ~~qualification bond in the amount of fifty thousand dollars with the~~
23 ~~division. The bond shall MUST be to the people of the state of Colorado~~
24 ~~in favor of any court in this state, whether municipal, county, district, or~~
25 ~~other court, Any qualification bond for a cash bail bonding agent shall~~
26 ~~also be to the commissioner and TO the division to fulfill FOR the~~
27 ~~purposes of this section. In the event of a forfeiture of a cash-bonding~~

1 agent's qualification bond, the division ~~shall have~~ HAS priority over all
2 other claimants. To ~~such bond. Such~~ COMPLY WITH THIS SUBSECTION (1),
3 THE bond ~~shall~~ MUST be conditioned upon full and prompt payment into
4 the court ordering ~~such~~ THE bond forfeited. ~~Bail bonding agents~~
5 ~~authorized as Cash-bonding agents pursuant to section 12-7-102 (1) may~~
6 ~~only~~ SHALL NOT issue bonds EXCEPT in accordance with ~~the provisions of~~
7 section 16-4-104 (1) (b) (III), C.R.S. In the event of a qualification bond
8 forfeiture, a cash-bonding agent ~~shall be prohibited from writing~~ SHALL
9 NOT WRITE new bail bonds until the qualification bond is restored to fifty
10 thousand dollars.

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

1 In the event of a qualification bond forfeiture, a professional cash-bail
2 agent shall be prohibited from writing NOT WRITE new bail bonds until the
3 qualification bond is restored to at least fifty thousand dollars.

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

15 (4) TO QUALIFY UNDER THIS SECTION:

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

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

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

26 (d) THE PROFESSIONAL CASH-BAIL OR CASH-BONDING AGENT MAY
27 RECEIVE INTEREST THEREON, UNLESS THE PRINCIPAL AMOUNT OF THE

1 QUALIFICATION BOND FALLS BELOW THE REQUIRED FIFTY THOUSAND
2 DOLLARS, IF THE QUALIFICATION BOND IS AN INTEREST-BEARING
3 INSTRUMENT;

4 (e) THE TERMS OF THE LOAN, PROMISSORY NOTE, AND FINANCIAL
5 ARRANGEMENT MUST BE SUBMITTED TO THE DIVISION IF THE
6 QUALIFICATION BOND IS FUNDED BY THE PROCEEDS FROM A LOAN,
7 PROMISSORY NOTE, OR OTHER FINANCIAL ARRANGEMENT; AND

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

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

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

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

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

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

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

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

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

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

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

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

24 ~~(j) Hiring, contracting with, or paying compensation to any~~
25 ~~individual for bail recovery services in violation of the provisions of~~
26 ~~section 12-7-105.5~~ FAILURE TO PAY A FINAL, NONAPPEALABLE JUDGMENT
27 ~~AWARD FOR FAILURE TO RETURN OR REPAY COLLATERAL RECEIVED TO~~

1 SECURE A BOND; OR

2 ~~(k) Continuing to execute bail bonds in any court in this state~~
3 ~~while on the board pursuant to section 16-4-112 (5) (e), C.R.S., where the~~
4 ~~bail forfeiture judgment that resulted in being placed on the board has not~~
5 ~~been paid, stayed, vacated, exonerated, or otherwise discharged; ANY ACT~~
6 ~~PROHIBITED BY SECTION 18-13-130, C.R.S.~~

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

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

27 ~~(3) Except for the reasons listed in paragraphs (e) and (f) of~~

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

16 (4) (a) THE COMMISSIONER MAY COMMENCE A PROCEEDING TO
17 DISCIPLINE A REGISTRANT WHEN THE COMMISSIONER HAS REASONABLE
18 GROUNDS TO BELIEVE THAT THE REGISTRANT HAS COMMITTED AN ACT
19 ENUMERATED IN THIS SECTION.

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

26 (5) DISCIPLINARY PROCEEDINGS, HEARINGS, AND OPPORTUNITY
27 FOR REVIEW MUST BE CONDUCTED IN ACCORDANCE WITH ARTICLE 4 OF

1 TITLE 24, C.R.S., BY THE COMMISSIONER OR BY AN ADMINISTRATIVE LAW
2 JUDGE, AT THE COMMISSIONER'S DISCRETION. THE COMMISSIONER MAY
3 EXERCISE ALL POWERS AND DUTIES CONFERRED BY THIS ARTICLE DURING
4 THE DISCIPLINARY PROCEEDINGS.

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

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

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

25 (III) UPON FAILURE OF ANY WITNESS OR REGISTRANT TO COMPLY
26 WITH A SUBPOENA OR PROCESS, THE DISTRICT COURT OF THE COUNTY
27 WHERE THE SUBPOENAED PERSON OR REGISTRANT RESIDES OR CONDUCTS

1 BUSINESS, UPON APPLICATION BY THE COMMISSIONER WITH NOTICE TO THE
2 SUBPOENAED PERSON OR REGISTRANT, MAY ISSUE TO THE PERSON OR
3 REGISTRANT AN ORDER REQUIRING THE PERSON OR REGISTRANT TO
4 APPEAR BEFORE THE COMMISSIONER; TO PRODUCE THE RELEVANT PAPERS,
5 BOOKS, RECORDS, DOCUMENTARY EVIDENCE, OR MATERIALS IF SO
6 ORDERED; OR TO GIVE EVIDENCE TOUCHING THE MATTER UNDER
7 INVESTIGATION OR IN QUESTION. IF THE PERSON OR REGISTRANT FAILS TO
8 OBEY THE ORDER OF THE COURT, THE PERSON OR REGISTRANT MAY BE
9 HELD IN CONTEMPT OF COURT.

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

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

26 (b) A PERSON PARTICIPATING IN GOOD FAITH IN MAKING A
27 COMPLAINT OR REPORT OR IN AN INVESTIGATIVE OR ADMINISTRATIVE

1 PROCEEDING UNDER THIS SECTION IS IMMUNE FROM ANY CIVIL OR
2 CRIMINAL LIABILITY THAT OTHERWISE MIGHT RESULT BY REASON OF THE
3 PARTICIPATION.

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

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

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

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

1 C.R.S.

2 (11) (a) IF IT APPEARS TO THE COMMISSIONER, BASED UPON
3 CREDIBLE EVIDENCE AS PRESENTED IN A WRITTEN COMPLAINT BY ANY
4 PERSON, THAT A PERSON HAS VIOLATED ANY OTHER PORTION OF THIS
5 ARTICLE, THEN, IN ADDITION TO ANY SPECIFIC POWERS GRANTED
6 PURSUANT TO THIS ARTICLE, THE COMMISSIONER MAY ISSUE TO THE
7 PERSON AN ORDER TO SHOW CAUSE AS TO WHY THE COMMISSIONER
8 SHOULD NOT ISSUE A FINAL ORDER DIRECTING THE PERSON TO CEASE AND
9 DESIST FROM THE UNLAWFUL ACT OR UNREGISTERED PRACTICE.

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

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

27 (II) IF A PERSON AGAINST WHOM AN ORDER TO SHOW CAUSE HAS

1 BEEN ISSUED DOES NOT APPEAR AT THE HEARING, THE COMMISSIONER MAY
2 PRESENT EVIDENCE THAT NOTIFICATION WAS PROPERLY SENT OR SERVED
3 ON THE PERSON UNDER THIS SUBSECTION (11) AND SUCH OTHER EVIDENCE
4 RELATED TO THE MATTER AS THE COMMISSIONER DEEMS APPROPRIATE.
5 THE COMMISSIONER SHALL ISSUE THE ORDER WITHIN TEN DAYS AFTER THE
6 COMMISSIONER'S DETERMINATION RELATED TO REASONABLE ATTEMPTS TO
7 NOTIFY THE RESPONDENT, AND THE ORDER SHALL BECOME FINAL AS TO
8 THAT PERSON BY OPERATION OF LAW. THE COMMISSIONER SHALL
9 CONDUCT THE HEARING IN ACCORDANCE WITH SECTIONS 24-4-104 AND
10 24-4-105, C.R.S.

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

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

24 (12) IF IT APPEARS TO THE COMMISSIONER, BASED UPON CREDIBLE
25 EVIDENCE PRESENTED TO THE COMMISSIONER, THAT A PERSON HAS
26 ENGAGED OR IS ABOUT TO ENGAGE IN AN UNREGISTERED ACT OR
27 PRACTICE; AN ACT OR PRACTICE CONSTITUTING A VIOLATION OF THIS

1 ARTICLE, A RULE PROMULGATED UNDER THIS ARTICLE, OR AN ORDER
2 ISSUED UNDER THIS ARTICLE; OR AN ACT OR PRACTICE CONSTITUTING
3 GROUNDS FOR ADMINISTRATIVE SANCTION UNDER THIS ARTICLE, THE
4 COMMISSIONER MAY ENTER INTO A STIPULATION WITH THE PERSON.

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

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

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

27 **10-23-108. Bail bond documents - requirements - rules.**

1 (1) THE PROFESSIONAL CASH-BAIL AGENT OR CASH-BONDING AGENT WHO
2 POSTS A BAIL BOND WITH THE COURT ON BEHALF OF A DEFENDANT SHALL
3 ENSURE THAT THE FOLLOWING DOCUMENTS COMPLY WITH THE FOLLOWING
4 PROVISIONS:

5 (a) AN INDEMNITY AGREEMENT MUST:

6 (I) BE IN WRITING;

7 (II) BE SIGNED BY THE PROFESSIONAL CASH-BAIL AGENT OR
8 CASH-BONDING AGENT;

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

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

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

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

24 (b) A PROMISSORY NOTE MUST BE:

25 (I) IN WRITING;

26 (II) SIGNED BY THE PROFESSIONAL CASH-BAIL AGENT OR
27 CASH-BONDING AGENT; AND

1 (III) SIGNED BY THE DEFENDANT OR INDEMNITOR;
2 (c) A COLLATERAL RECEIPT MUST:
3 (I) BE DATED;
4 (II) BE IN WRITING;
5 (III) BE SIGNED BY THE PROFESSIONAL CASH-BAIL AGENT OR
6 CASH-BONDING AGENT;
7 (IV) BE SIGNED BY THE DEFENDANT OR INDEMNITOR;
8 (V) BE PRENUMBERED;
9 (VI) CONTAIN A FULL DESCRIPTION OF THE COLLATERAL,
10 INCLUDING THE CONDITION OF THE COLLATERAL AT THE TIME IT IS TAKEN
11 INTO CUSTODY; AND
12 (VII) STATE THE PURPOSE FOR WHICH IT WAS RECEIVED;
13 (d) A BAIL BOND REVOCATION REQUEST MUST BE:
14 (I) DATED;
15 (II) IN WRITING;
16 (III) SIGNED BY THE PROFESSIONAL CASH-BAIL AGENT OR
17 CASH-BONDING AGENT; AND
18 (IV) SIGNED BY THE DEFENDANT OR INDEMNITOR.
19 (2) (a) BEFORE ACCEPTING CONSIDERATION, THE PROFESSIONAL
20 CASH-BAIL AGENT OR CASH-BONDING AGENT SHALL COMMIT TO WRITING,
21 SIGN, DATE, AND OBTAIN THE DEFENDANT'S OR INDEMNITOR'S SIGNATURE
22 ON AN ARRANGEMENT FOR THE PAYMENT OF ALL OR PART OF THE
23 PREMIUM, COMMISSION, OR FEE, INCLUDING THE PAYMENT SCHEDULE. THE
24 SIGNATURE OF THE PROFESSIONAL CASH-BAIL AGENT OR CASH-BONDING
25 AGENT IS NOT AN OBLIGATION TO PAY ANY DEBT OWED TO A LENDER. TO
26 BE ENFORCEABLE, INTEREST AND FINANCIAL CHARGES ON ANY UNPAID
27 PREMIUM MUST COMPLY WITH THE "UNIFORM CONSUMER CREDIT CODE",

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

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

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

12 (I) THE DATE;

13 (II) THE DEFENDANT'S NAME;

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

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

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

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

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

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

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

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

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

13 (6) THE INDEMNITOR MAY BE THE DEFENDANT.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

5 (h) to (j) Repealed.

6 (h) EXCEPT FOR THE BOND FEE, TO FAIL TO RETURN ANY
7 NONFORFEITED COLLATERAL OR SECURITY WITHIN FOURTEEN DAYS AFTER
8 RECEIPT OF A COPY OF THE COURT ORDER THAT RESULTS IN A RELEASE OF
9 THE BOND BY THE COURT, UNLESS:

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

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

15 (B) THE REGISTRANT IS EXONERATED AND, AT THE REQUEST OF
16 THE PERSON WHO TENDERED THE COLLATERAL OR SECURITY, RETURNS THE
17 COLLATERAL TO THE PERSON WHO POSTED THE COLLATERAL WITHIN
18 FOURTEEN DAYS AFTER THE THREE-YEAR PERIOD;

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

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

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

27 (m) (k) For any one licensee To have more than one bond posted

1 at any one time and in any single ONE case on behalf of any one person;

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

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

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

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

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

24 **(43) The following agencies, functions, or both, shall terminate on July**
25 **1, 2012:**

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

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

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

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

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

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

12 (z) July 1, 2013:

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

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

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

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

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

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

26 (p) ~~To conduct a criminal background check of an applicant who~~
27 ~~wishes to provide bail recovery services for a bail bonding agent under~~

1 ~~section 12-7-105.5 (1) (a), C.R.S.;~~

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

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

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

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