

First Regular Session
Sixty-eighth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 11-0391.01 Kate Meyer

HOUSE BILL 11-1135

HOUSE SPONSORSHIP

Casso,

SENATE SPONSORSHIP

(None),

House Committees
Judiciary

Senate Committees

A BILL FOR AN ACT

101 CONCERNING THE TRANSFER OF THE REGULATION OF BAIL BONDING
102 AGENTS FROM THE DIVISION OF INSURANCE TO A NEWLY
103 CREATED REGULATORY BOARD.

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>.)

Currently, bail bonding agents (agents) are regulated by the division of insurance under the department of regulatory agencies (DORA). Agents are required to be licensed either as insurance producers or as cash bonding agents, a grandfathered agent licensure

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.

category. The bill relocates regulation of bail bonding agents from the division of insurance to a newly created "state bail bonding agent board" (board) under the division of registrations within DORA. The board must be appointed by October 1, 2011, and the transfer of bail bond agent regulatory functions is effective when the board appointments are complete. The board is granted rule-making authority to administer and enforce the laws relating to regulation of bail bond agents.

The bill increases from 8 hours to 480 hours the minimum amount of prelicensure education and from 16 hours to 480 hours the minimum amount of prelicensure training that a person must complete to qualify for initial licensure as an agent. The education must be provided by a board-approved recognized state bail bonding association, and the training must be overseen by a current licensee authorized by the board. The bill restores and bolsters continuing education requirements for licensees. The bill also requires persons who provide bail recovery services for a licensee to complete at least 100 hours of fugitive apprehension training.

Currently, an advisory committee exists to render advisory opinions, ensure that agents properly report and pay premium taxes, and review rules proposed by the commissioner of insurance. Because the composition of this advisory committee substantially duplicates the composition of the new board, the bill repeals the advisory committee and its related sunset review.

Under current law, an agent may charge the greater of 15% of the bail or \$50 as the agent's premium, commission, or fee. The bill removes the alternative statutory cap of \$50, and further states that the minimum amount that an agent may charge is 10% of the bail.

The bill mandates that agents collect a \$15 fee per professional surety bond from defendants or third-party indemnitors and deliver that sum to the law enforcement entity that processes the defendant's bail. Of those moneys, the law enforcement entity is directed to transmit \$10 to the local school district and retain the remaining \$5 to offset the costs of collecting and administering the charge.

All premium taxes on fees charged by licensees will still be collected by the division of insurance, but, instead of crediting those particular moneys to the general fund, the state treasurer is directed to transmit those moneys to the public school fund.

Provisions relating to the procedure for a bail insurance company to appoint licensees are relocated. Further, bail insurance companies, which currently report terminations of agents to the division of insurance, will instead be required to report such terminations to the board.

The bill makes conforming changes required under the new regulatory scheme and nonsubstantive changes to clarify existing provisions relating to agents.

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

2 **SECTION 1.** Article 7 of title 12, Colorado Revised Statutes, is
3 amended to read:

4 **12-7-101. Definitions.** As used in this article, unless the context
5 otherwise requires:

6 (1) "APPLICANT" MEANS A PERSON APPLYING FOR LICENSURE OR
7 RENEWAL OF A LICENSE AS A BAIL BONDING AGENT OR PROFESSIONAL
8 CASH BAIL BONDING AGENT PURSUANT TO THIS ARTICLE.

9 ~~(1)~~ (2) (a) "Bail bonding agent" or "bonding agent" means ~~any~~ A
10 person who furnishes bail for compensation in any court or courts in this
11 state and who is appointed by an insurer by power of attorney to execute
12 or countersign BAIL BONDS, OR WHO EXECUTES OR COUNTERSIGNS bail
13 bonds, in connection with judicial proceedings. ~~and~~

14 (b) "BAIL BONDING AGENT" OR "BONDING AGENT" DOES NOT
15 INCLUDE A PERSON who:

16 (I) Is ~~other than~~ a full-time salaried officer or employee of an
17 insurer; or ~~a person who~~

18 (II) Pledges United States currency, a United States postal money
19 order, a cashier's check, or other property as security for a bail bond in
20 connection with a judicial proceeding, whether for compensation or
21 otherwise.

22 ~~(1.3)~~ (3) "Bail insurance company" means an insurer, as defined
23 in section 10-1-102, ~~(13)~~, C.R.S., engaged in the business of writing bail
24 appearance bonds through bonding agents, which company is subject to
25 regulation by the division of insurance. ~~in the department of regulatory~~
26 ~~agencies.~~

1 ~~(1.5)~~ (4) "Bail recovery" means actions taken by a person other
2 than a peace officer to apprehend an individual or take an individual into
3 custody because of the INDIVIDUAL'S failure of such individual to comply
4 with bail bond requirements.

5 ~~(2) (Deleted by amendment, L. 96, p. 1177, § 1, effective June 1,~~
6 ~~1996.)~~

7 (5) "BOARD" MEANS THE STATE BAIL BONDING AGENT BOARD
8 CREATED IN SECTION 12-7-101.5.

9 (6) "CASH BONDING AGENT" OR "CASH BAIL BONDING AGENT"
10 MEANS A PERSON CURRENTLY LICENSED AS A BAIL BONDING AGENT WHO
11 WAS ALSO LICENSED BY THE DIVISION OF INSURANCE AS OF JANUARY 1,
12 1992, TO WRITE BAIL BONDS AS A CASH BONDING AGENT.

13 ~~(2.5)~~ (7) "Compensated surety" means ~~any~~ A person in the
14 business of writing bail appearance bonds, ~~who is subject to regulation by~~
15 ~~the Colorado division of insurance~~, including bonding agents and bail
16 insurance companies. Nothing in this subsection ~~(2.5) shall be construed~~
17 ~~to authorize~~ (7) AUTHORIZES bail insurance companies to write bail bonds
18 except through licensed bail bonding agents.

19 ~~(3)~~ (8) "Division OF INSURANCE" means the division of insurance
20 IN THE DEPARTMENT OF REGULATORY AGENCIES.

21 ~~(4) (Deleted by amendment, L. 96, p. 1177, § 1, effective June 1,~~
22 ~~1996.)~~

23 ~~(5) Repealed.~~

24 (9) "DIVISION OF REGISTRATIONS" MEANS THE DIVISION OF
25 REGISTRATIONS IN THE DEPARTMENT OF REGULATORY AGENCIES.

26 (10) "LICENSEE" MEANS A PERSON LICENSED UNDER THIS ARTICLE
27 AS A BAIL BONDING AGENT, CASH BONDING AGENT, OR PROFESSIONAL

1 CASH BAIL BONDING AGENT.

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

6 ~~(7)~~ (12) (a) "Professional cash bail BONDING agent" means a
7 ~~person who is an authorized~~ LICENSED bail ~~bond~~ BONDING agent who
8 furnishes bail for compensation in any court or courts in this state in
9 connection with judicial proceedings. ~~and~~

10 (b) "PROFESSIONAL CASH BAIL BONDING AGENT" DOES NOT
11 INCLUDE A PERSON who:

12 (I) Is ~~not~~ a full-time salaried officer or employee of an insurer; ~~nor~~
13 ~~a person who~~

14 (II) Pledges United States currency, a United States postal money
15 order, a cashier's check, or other property in connection with a judicial
16 proceeding, whether for compensation or otherwise; OR

17 (III) IS LICENSED AS A CASH BONDING AGENT.

18 (13) "RECOGNIZED STATE BAIL BOND ASSOCIATION" MEANS AN
19 ORGANIZATION OR ASSOCIATION THAT DEMONSTRATES TO THE DIVISION
20 OF REGISTRATIONS THAT IT REPRESENTS AT LEAST FIFTY-ONE PERCENT OF
21 THE LICENSED BAIL BONDING AGENTS IN THE STATE.

22 **12-7-101.5. State bail bonding agent board - creation -**
23 **composition - duties - subject to termination.** (1) THE RESPONSIBILITY
24 FOR ADMINISTRATION AND ENFORCEMENT OF THIS ARTICLE IS VESTED IN
25 THE STATE BAIL BONDING AGENT BOARD, WHICH IS HEREBY CREATED IN
26 THE DIVISION OF REGISTRATIONS. THE BOARD HAS ALL OF THE DUTIES,
27 POWERS, AND AUTHORITY SPECIFICALLY GRANTED BY, AND NECESSARY TO

1 THE ENFORCEMENT OF, THIS ARTICLE. EXCEPT AS OTHERWISE PROVIDED
2 IN THIS ARTICLE, THE BOARD SHALL EXERCISE ALL ITS DUTIES, POWERS,
3 AND AUTHORITY IN ACCORDANCE WITH THE "STATE ADMINISTRATIVE
4 PROCEDURE ACT", ARTICLE 4 OF TITLE 24, C.R.S.

5 (2) THE POWERS, DUTIES, AND FUNCTIONS FORMERLY PERFORMED
6 BY THE DIVISION OF INSURANCE AND THE COMMISSIONER OF INSURANCE
7 WITH RESPECT TO REGULATION OF BAIL BONDING AGENTS ARE HEREBY
8 TRANSFERRED TO THE BOARD. THE BOARD SHALL EXERCISE ITS POWERS
9 AND PERFORM ITS DUTIES AND FUNCTIONS SPECIFIED BY THIS ARTICLE
10 UNDER THE DEPARTMENT OF REGULATORY AGENCIES AND THE EXECUTIVE
11 DIRECTOR OF THE DEPARTMENT AS IF THE POWERS, DUTIES, AND
12 FUNCTIONS WERE TRANSFERRED TO THE DEPARTMENT BY A **TYPE 1**
13 TRANSFER, AS SUCH TRANSFER IS DEFINED IN THE "ADMINISTRATIVE
14 ORGANIZATION ACT OF 1968", ARTICLE 1 OF TITLE 24, C.R.S. THE
15 TRANSFER EFFECTED BY THIS SUBSECTION (2) OCCURS UPON THE
16 APPOINTMENT OF ALL THE MEMBERS TO THE BOARD UNDER SUBSECTIONS
17 (3) AND (4) OF THIS SECTION.

18 (3) (a) THE DIVISION OF REGISTRATIONS SHALL IDENTIFY ENTITIES
19 THAT QUALIFY AS RECOGNIZED STATE BAIL BOND ASSOCIATIONS BY
20 OCTOBER 1, 2011.

21 (b) UNTIL THE POSITIONS ON THE BOARD ARE FILLED, THE DIVISION
22 OF INSURANCE RETAINS REGULATORY AUTHORITY OVER BAIL BONDING
23 AGENTS.

24 (4) (a) THE BOARD CONSISTS OF SEVEN MEMBERS APPOINTED BY
25 THE GOVERNOR AS FOLLOWS:

26 (I) ONE LAW ENFORCEMENT OFFICER;

27 (II) ONE ATTORNEY;

1 (III) ONE JUDGE;

2 (IV) TWO BAIL BONDING AGENTS WHO ARE APPOINTED BY OR WHO
3 CONTRACT WITH BAIL INSURANCE COMPANIES AND WHO ARE MEMBERS OF
4 A RECOGNIZED STATE BAIL BOND ASSOCIATION;

5 (V) TWO BAIL BONDING AGENTS LICENSED AS EITHER
6 PROFESSIONAL CASH BAIL BONDING AGENTS OR CASH BONDING AGENTS
7 AND WHO ARE MEMBERS OF A RECOGNIZED STATE BAIL BOND
8 ASSOCIATION.

9 (b) A MAJORITY OF THE BOARD CONSTITUTES A QUORUM FOR THE
10 TRANSACTION OF ALL BUSINESS.

11 (5) (a) (I) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION
12 (5), THE TERM OF OFFICE OF MEMBERS IS FOUR YEARS.

13 (II) THE INITIAL TERM OF OFFICE OF MEMBERS APPOINTED TO THE
14 BOARD UNDER SUBPARAGRAPHS (I) AND (III) AND ONE OF THE MEMBERS
15 APPOINTED UNDER SUBPARAGRAPH (V) OF PARAGRAPH (a) OF SUBSECTION
16 (4) OF THIS SECTION IS ONE YEAR. THE INITIAL TERM OF OFFICE OF THE
17 MEMBER APPOINTED UNDER SUBPARAGRAPH (II), AND ONE OF THE
18 MEMBERS APPOINTED UNDER SUBPARAGRAPH (IV) OF PARAGRAPH (a) OF
19 SUBSECTION (4) OF THIS SECTION, IS TWO YEARS.

20 (b) THE GOVERNOR SHALL FILL ANY VACANCY OCCURRING IN THE
21 MEMBERSHIP OF THE BOARD BY APPOINTMENT FOR THE UNEXPIRED TERM
22 OF THE MEMBER.

23 (c) THE GOVERNOR MAY REMOVE ANY MEMBER OF THE BOARD FOR
24 MISCONDUCT, INCOMPETENCE, OR NEGLECT OF DUTY.

25 (6) (a) THE GOVERNOR SHALL ATTEMPT TO APPOINT MEMBERS
26 WITH EXPERIENCE REGARDING BAIL BONDING IN COLORADO.

27 (b) NO MAJOR POLITICAL PARTY SHALL BE REPRESENTED ON THE

1 BOARD BY MORE THAN ONE MEMBER MORE THAN AT LEAST ONE OTHER
2 MAJOR POLITICAL PARTY.

3 (c) MEMBERS SHALL NOT SERVE MORE THAN TWO CONSECUTIVE
4 TERMS.

5 **12-7-101.7. Rules.** IN ADDITION TO ANY POWERS AND DUTIES
6 SPECIFICALLY GRANTED UNDER THIS ARTICLE, THE BOARD IS AUTHORIZED
7 TO PROMULGATE, IN ACCORDANCE WITH ARTICLE 4 OF TITLE 24, C.R.S.,
8 ANY RULES NECESSARY TO ADMINISTER AND ENFORCE THIS ARTICLE.
9 EACH RULE PROMULGATED BY THE COMMISSIONER OF INSURANCE
10 CONTINUES TO APPLY NOTWITHSTANDING THE REPEAL OF SECTION
11 12-7-110.5 UNTIL THE BOARD PROMULGATES A RULE THAT SPECIFICALLY
12 SUPERCEDES SUCH RULE.

13 **12-7-102. License required - qualifications - enforcement -**
14 **rules.** (1) (a) ~~No A person can qualify to be~~ SHALL NOT ACT IN THE
15 CAPACITY OF a bail bonding agent OR PERFORM ANY OF THE FUNCTIONS,
16 DUTIES, OR POWERS OF A BAIL BONDING AGENT unless ~~such~~ THE person is
17 a licensed ~~insurance producer appointed to represent an insurance~~
18 ~~company or is a licensed, professional cash bail agent under article 2 of~~
19 ~~title 10, C.R.S.~~ UNDER THIS ARTICLE.

20 (b) ~~However, any bail~~ A BAIL bonding agent who was licensed by
21 the division OF INSURANCE as of January 1, 1992, to write bail bonds as
22 a cash bonding agent ~~shall be~~ IS permitted to continue such licensure upon
23 compliance with the other requirements of this article.

24 (2) ~~No~~ A firm, partnership, association, or corporation ~~as such,~~
25 shall NOT be licensed AS A BONDING AGENT. ~~No~~ A person engaged as a
26 law enforcement or judicial officer shall NOT be licensed as a bonding
27 agent.

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

3 (c) to (e) ~~(Deleted by amendment, L. 95, p. 280, § 2, effective July~~
4 ~~1, 1995.)~~

5 (3) The ~~division~~ BOARD is ~~vested with the authority~~ AUTHORIZED
6 to enforce ~~the provisions of this article~~ The ~~division shall have the~~
7 ~~authority to make~~ AND MAY CONDUCT investigations and promulgate ~~such~~
8 rules and regulations as ~~may be~~ necessary for the ADMINISTRATION AND
9 enforcement of this article.

10 (4) ~~Each licensee's license shall expire biennially on January 1~~
11 ~~unless revoked or suspended prior thereto by the division or upon notice~~
12 ~~served upon the commissioner by the insurer or the employer or user of~~
13 ~~any license that such insurer, employer, or user has cancelled the~~
14 ~~licensee's authority to act for or in behalf of such insurer, employer, or~~
15 ~~user.~~

16 (5) (4) The division OF REGISTRATIONS shall prepare and deliver
17 to each licensee a pocket card showing the name, address, and
18 classification of ~~such~~ THE licensee. ~~Such~~ THE pocket card shall clearly
19 state that ~~such~~ THE person is a licensed BAIL bonding agent.

20 (6) (5) The division OF REGISTRATIONS shall notify each LICENSED
21 bail bonding agent in writing on an annual basis regarding changes to the
22 state laws ~~regarding~~ PERTAINING TO the regulation of bail bonding agents.

23 **12-7-102.5. Prelicensure education and training requirements**
24 **- examinations - exemptions - professional cash bail bonding agent**
25 **requirements - rules.** (1) As a condition of initial licensure ~~and~~
26 ~~qualification~~ as a bail bonding agent, ~~the commissioner shall require~~ each
27 applicant ~~to~~ SHALL submit TO THE BOARD, IN SUCH FORM AND MANNER AS

1 PRESCRIBED BY THE BOARD, evidence of satisfactory completion of an
2 approved prelicensure education ~~or~~ AND training. ~~course.~~ Such AN
3 APPLICANT IS ALSO REQUIRED TO PASS AN EXAMINATION PRIOR TO
4 LICENSURE.

5 (a) THE education ~~or~~ AND training ~~shall~~ MUST consist of at least:

6 (a) (I) ~~Eight clock hours regarding bail bonding, two of which~~
7 ~~shall concern the criminal court system, two of which shall concern bail~~
8 ~~bond industry ethics, and four of which shall concern the laws relating to~~
9 ~~bail bonds~~ FOUR HUNDRED EIGHTY HOURS OF PRELICENSURE EDUCATION,
10 OF WHICH AT LEAST ONE HUNDRED HOURS MUST PERTAIN TO BAIL
11 RECOVERY, ADMINISTERED BY A RECOGNIZED STATE BAIL BOND
12 ASSOCIATION AND APPROVED BY THE BOARD; and

13 (b) (II) ~~For persons applying for licensure on or after January 1,~~
14 ~~1999, training in bail recovery practices not to exceed sixteen clock hours.~~
15 ~~Such training shall comply with the standards established by the peace~~
16 ~~officers standards and training board pursuant to section 24-31-303 (1)~~
17 ~~(h), C.R.S.~~ FOUR HUNDRED EIGHTY HOURS OF TRAINING, OF WHICH AT
18 LEAST ONE HUNDRED HOURS MUST PERTAIN TO BAIL RECOVERY, UNDER
19 THE DIRECT SUPERVISION OF A CURRENT LICENSEE AUTHORIZED BY THE
20 BOARD TO PROVIDE SUCH TRAINING. A SUPERVISING LICENSEE SHALL
21 REPORT TO THE BOARD, IN SUCH FORM AND MANNER AS REQUIRED BY THE
22 BOARD AND UNDER PENALTY OF PERJURY, WHEN AN APPLICANT HAS
23 COMPLETED OR HAS FAILED TO COMPLETE THE TRAINING REQUIRED BY
24 THIS SUBPARAGRAPH (II) AND RULES PROMULGATED PURSUANT THERETO.

25 (b) (I) AN APPLICANT WHO SATISFACTORILY COMPLETES THE
26 PRELICENSURE EDUCATION AND TRAINING REQUIRED UNDER THIS SECTION
27 IS ENTITLED TO TAKE A LICENSURE EXAMINATION. THE BOARD SHALL

1 ADMINISTER LICENSURE EXAMINATIONS AS OFTEN AS NECESSARY TO
2 PROVIDE APPLICANTS A REASONABLE OPPORTUNITY TO TAKE THE
3 EXAMINATION. THE EXAMINATION MUST ADEQUATELY TEST AN
4 APPLICANT'S KNOWLEDGE OF BAIL BONDING, INCLUDING LAWS AND RULES
5 RELATED TO BAIL RECOVERY, THE CRIMINAL COURT SYSTEM, BAIL BOND
6 INDUSTRY ETHICS, AND ANY OTHER RELATED SUBJECT THE BOARD DEEMS
7 RELEVANT AND NECESSARY.

8 (II) IF AN APPLICANT CANDIDATE FAILS A CERTAIN NUMBER OF
9 EXAMINATIONS, AS DETERMINED BY RULE OF THE BOARD, THE BOARD MAY
10 REQUIRE THE APPLICANT TO TAKE ADDITIONAL STUDY BEFORE TAKING
11 ANOTHER EXAMINATION.

12 (2) THE prelicensure education, ~~requirements shall~~ TRAINING, AND
13 EXAMINATION REQUIRED UNDER SUBSECTION (1) OF THIS SECTION DO NOT
14 APPLY TO A PERSON: ~~applying for:~~

15 (a) APPLYING FOR reinstatement of a cancelled or expired bail
16 bonding agent license if ~~such~~ THE license has been inactive for one year
17 or less; ~~or~~

18 (b) LICENSED BY THE DIVISION OF INSURANCE AS A BAIL BONDING
19 AGENT ON OR BEFORE JULY 1, 2011; OR

20 ~~(b)~~ (c) APPLYING FOR a license if ~~such person~~ THE APPLICANT has
21 been licensed in another state for at least one year and has completed or
22 satisfied prelicensure requirements ~~which~~ IN THAT STATE THAT THE
23 BOARD DETERMINES are substantially similar to those ~~stated~~ in subsection
24 (1) of this section.

25 ~~(3) to (5) (Deleted by amendment, L. 96, p. 1178, § 3, effective~~
26 ~~June 1, 1996.)~~

27 ~~(6)~~ (3) (a) As a condition of ~~initial licensure and qualification~~ as

1 a professional cash bail BONDING agent, the ~~commissioner~~ BOARD shall
2 require each applicant to submit evidence of satisfactory completion of
3 ~~an~~ ADDITIONAL approved prelicensure education ~~or~~ AND training. ~~course.~~
4 ~~Such education or training shall consist of not less than eight clock hours~~
5 ~~regarding bail bonding, two of which shall concern the criminal court~~
6 ~~system, two of which shall concern bail bond industry ethics, and four of~~
7 ~~which shall concern the laws relating to bail bonds.~~ THE BOARD SHALL
8 SPECIFY THE EDUCATION AND TRAINING REQUIRED UNDER THIS
9 SUBSECTION (3) BY RULE, WHICH IS IN ADDITION TO THAT REQUIRED
10 UNDER SUBSECTION (1) OF THIS SECTION.

11 ~~(7)~~ (b) ~~The professional cash bonding agent shall~~ A PERSON MUST
12 be licensed as a bail bonding agent in Colorado for four years ~~prior to~~
13 ~~applying~~ TO BE ELIGIBLE for licensure as a professional cash bail BONDING
14 agent.

15 ~~(8)~~ (4) The ~~division~~ BOARD shall promulgate rules necessary for
16 the implementation of this section. THE RULES MUST, AT A MINIMUM, SET
17 FORTH THE STANDARDS BY WHICH PRELICENSURE EDUCATION COURSES
18 AND PROGRAMS QUALIFY FOR APPROVAL, DESCRIBE A SYSTEM OF CONTROL
19 AND REPORTING, SPECIFY THE CRITERIA FOR AUTHORIZING A LICENSEE TO
20 TRAIN AN APPLICANT, DETERMINE THE SUBJECTS CONTAINED IN
21 EXAMINATIONS, SET THE FREQUENCY AT WHICH EXAMINATIONS WILL BE
22 OFFERED, AND SPECIFY THE EDUCATION AND TRAINING REQUIRED FOR
23 LICENSURE AS A PROFESSIONAL CASH BAIL BONDING AGENT.

24 (5) AN INDIVIDUAL APPLYING FOR A LICENSE UNDER THIS ARTICLE
25 SHALL PAY TO THE BOARD, IN ADDITION TO ANY OTHER APPLICABLE FEES
26 OR CHARGES, A FEE ESTABLISHED BY THE BOARD FOR THE OPERATION OF
27 THE PRELICENSURE EDUCATION PROGRAM.

1 **12-7-103. Licenses - application - fees - qualification bond -**

2 **forfeiture.** (1) ~~Any person desiring to engage in the business of bail~~
3 ~~bonding agent~~ AN APPLICANT FOR LICENSURE in this state shall supply the
4 following information to the ~~division~~ BOARD:

5 ~~(a) (Deleted by amendment, L. 96, p. 1179, § 4, effective June 1,~~
6 ~~1996.)~~

7 ~~(b) Repealed.~~

8 ~~(c)~~ (a) Whether the applicant has been convicted of a felony,
9 entered a guilty plea to a felony, accepted a plea of nolo contendere to a
10 felony, or engaged in or committed an act described in section 12-7-106
11 (1) during the previous ten years;

12 (b) PROOF, IN ACCORDANCE WITH RULES OF THE BOARD, THAT THE
13 PERSON IS A MEMBER IN GOOD STANDING AT A LEVEL NO LOWER THAN THE
14 ENTRY, TRAINEE, STUDENT, OR OTHER COMPARABLE PRELICENSURE LEVEL,
15 IN A RECOGNIZED STATE BAIL BOND ASSOCIATION;

16 ~~(d)~~ (c) ~~Such~~ ANY other information ~~as may be required by~~ UNDER
17 this article or by the ~~division~~ BOARD, including ~~but not limited to~~ a
18 full-face photograph. ~~In addition,~~ Each applicant shall pay the actual
19 costs associated with obtaining any photograph that may be required.

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

21 (2) (a) A LICENSEE'S LICENSE EXPIRES BIENNIALY ON JANUARY 1
22 UNLESS REVOKED OR SUSPENDED PRIOR TO THAT DATE BY THE BOARD OR
23 UPON NOTICE SERVED UPON THE BOARD BY THE INSURER, EMPLOYER, OR
24 USER OF ANY LICENSE THAT THE INSURER, EMPLOYER, OR USER HAS
25 CANCELLED THE LICENSEE'S AUTHORITY TO ACT FOR OR ON BEHALF OF THE
26 INSURER, EMPLOYER, OR USER.

27 (b) THE BOARD SHALL ESTABLISH APPLICATION FORMS AND FEE

1 AMOUNTS FOR LICENSE APPLICATIONS, RENEWALS, AND REINSTATEMENTS
2 OF EXPIRED LICENSES. A PERSON APPLYING FOR, RENEWING, OR
3 REINSTATING A LICENSE SHALL SUBMIT AN APPLICATION TO THE BOARD,
4 IN THE FORM AND MANNER DETERMINED BY THE BOARD, AND SHALL PAY
5 A FEE IN AN AMOUNT SET BY THE BOARD UNDER SECTION 12-7-104.

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

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

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

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

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

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

26 ~~(3)~~ (4) (a) Each applicant who is ~~to be authorized as a cash~~
27 ~~bonding agent pursuant to section 12-7-102 (1) shall be~~ IS required to post

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

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

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

5 (c) If the name of a bail bonding agent, other than a cash bonding
6 agent, is placed on the board pursuant to section 16-4-112 (5) (e), C.R.S.,
7 and remains on the board for the same forfeiture for more than forty-five
8 consecutive days, the court that placed the name of the bail bonding agent
9 on the board shall order the ~~division~~ BOARD to suspend the license of ~~said~~
10 THE bail bonding agent, after A hearing CONDUCTED pursuant to section
11 ~~10-2-801, C.R.S.~~ 12-7-106 (2), until ~~such time as~~ all forfeitures and
12 judgments ordered and entered against ~~said~~ THE bail bonding agent have
13 been certified as paid or vacated by order of a court of record. If the bail
14 forfeiture judgment is not paid within fifteen days after the name of a bail
15 insurance company has been placed on the board pursuant to section
16 16-4-112 (5) (f), C.R.S., the ~~division~~ BOARD shall also order the bail
17 insurance company on the bond to pay the judgment after notice and
18 hearing pursuant to ~~sections 24-4-104 and 24-4-105, C.R.S.~~ SECTION
19 12-7-106 (2).

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

22 ~~(8) (5) (a) Each applicant who is to be authorized~~ FOR LICENSURE
23 as a professional cash bail BONDING agent ~~pursuant to section 12-7-102~~
24 ~~(1) shall be~~ IS required to post a qualification bond ~~in the amount of no~~
25 ~~less than~~ AT LEAST fifty thousand dollars with the ~~division~~ BOARD. The
26 bond shall be to the people of the state of Colorado in favor of any court
27 in this state, whether municipal, county, district, or other court. Any

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

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

1 shall suspend the license of ~~such~~ THE professional cash bail BONDING
2 agent until ~~such time as~~ all forfeitures and judgments ordered and entered
3 against the professional cash bail BONDING agent have been certified as
4 paid or vacated by order of a court of record and another qualification
5 bond in the required amount is posted with the ~~division~~ BOARD.

6 **12-7-103.5. Continuing education requirement - rules.** (1) ON
7 AND AFTER JULY 1, 2011, A LICENSEE SHALL SATISFACTORILY COMPLETE
8 AT LEAST SIXTEEN HOURS OF INSTRUCTION EVERY TWO YEARS BY
9 ATTENDING COURSES OR PROGRAMS OF INSTRUCTION THAT ARE
10 ADMINISTERED BY A RECOGNIZED STATE BAIL BOND ASSOCIATION AND
11 HAVE BEEN APPROVED BY THE BOARD. TWO HOURS OF THE INSTRUCTION
12 MUST CONCERN BAIL BOND INDUSTRY ETHICS.

13 (2) FOR GOOD CAUSE SHOWN, THE BOARD MAY GRANT AN
14 EXTENSION OF TIME, NOT TO EXCEED ONE YEAR, WITHIN WHICH A LICENSEE
15 MAY COMPLY WITH THIS SECTION.

16 (3) AN INSTRUCTOR OF AN APPROVED COURSE OF INSTRUCTION
17 QUALIFIES FOR THE SAME NUMBER OF HOURS OF CONTINUING EDUCATION
18 AS A PERSON ATTENDING AND SUCCESSFULLY COMPLETING THE COURSE OR
19 PROGRAM, BUT AN INSTRUCTOR SHALL NOT RECEIVE SUCH CREDIT MORE
20 THAN ONCE FOR A COURSE OR PROGRAM GIVEN MORE THAN ONCE DURING
21 A TWO-YEAR PERIOD.

22 (4) A BAIL BONDING AGENT LICENSED UNDER THIS ARTICLE SHALL
23 FURNISH WRITTEN PROOF OF COMPLIANCE WITH THIS SECTION, IN A FORM
24 AND MANNER PRESCRIBED BY THE BOARD.

25 (5) A RECOGNIZED STATE BAIL BOND ASSOCIATION PROVIDING A
26 COURSE OF CONTINUING EDUCATION APPROVED BY THE BOARD SHALL
27 EXECUTE WRITTEN CERTIFICATION THAT A LICENSEE HAS COMPLETED A

1 COURSE OF INSTRUCTION. THE CERTIFICATION MUST BE IN A FORM AND
2 MANNER PRESCRIBED BY THE BOARD.

3 (6) THE BOARD SHALL SUSPEND, AFTER NOTICE AND OPPORTUNITY
4 FOR HEARING, A LICENSEE LICENSED UNDER THIS ARTICLE WHO FAILS TO
5 COMPLY WITH THIS SECTION OR IS FOUND TO HAVE SUBMITTED A FALSE OR
6 FRAUDULENT CERTIFICATE OF COMPLIANCE. THE SUSPENSION CONTINUES
7 UNTIL THE LICENSEE SATISFACTORILY DEMONSTRATES TO THE BOARD
8 THAT ALL OF THE REQUIREMENTS OF THIS SECTION HAVE BEEN MET.

9 (7) THE BOARD SHALL PROMULGATE RULES NECESSARY TO
10 ADMINISTER THIS SECTION, INCLUDING APPROVING CURRICULA DEVELOPED
11 BY A RECOGNIZED STATE BAIL BOND ASSOCIATION FOR CONTINUING
12 EDUCATION REQUIRED UNDER THIS SECTION AND ESTABLISHING METHODS
13 BY WHICH COMPLIANCE WITH THE SECTION MAY BE PROVEN.

14 (8) THIS SECTION DOES NOT APPLY TO A CASH BONDING AGENT.

15 **12-7-104. License fees. (Repealed)**

16 **12-7-104.2. Fees.** THE BOARD MAY ESTABLISH LICENSING FEES
17 PURSUANT TO THIS ARTICLE. THE FEES SHALL BE ADEQUATE TO COVER
18 THE DIRECT AND INDIRECT EXPENSES INCURRED FOR IMPLEMENTATION OF
19 THIS ARTICLE AND SHALL BE DETERMINED, COLLECTED, AND
20 APPROPRIATED IN THE MANNER SET FORTH IN SECTION 24-34-105, C.R.S.,
21 AND PERIODICALLY ADJUSTED IN ACCORDANCE WITH SECTION 24-75-402,
22 C.R.S.

23 **12-7-104.5. Advisory committee - repeal.** ~~(1) (a) There is~~
24 ~~hereby created an advisory committee to render advisory decisions to the~~
25 ~~division in matters involving complaints and help to ensure that bail~~
26 ~~bonding agents properly report and pay premium tax. The committee~~
27 ~~shall be composed of one representative of law enforcement, one~~

1 representative of cash bail bond agents, one representative of professional
2 cash bond agents, three representatives of surety bond agents licensed in
3 this state, and one representative of surety companies. The committee
4 members shall serve without compensation. Appointments shall be made
5 by the commissioner. The representative of cash bail bond agents and
6 two of the representatives of surety bond agents shall be appointed for an
7 initial term of two years. All other appointments shall be for terms of
8 four years. Vacancies that occur during any term shall be filled by the
9 commissioner for the remainder of the term.

10 (b) The advisory committee shall also review all rules regarding
11 the regulation of bail bonding agents that are proposed by the
12 commissioner and make recommendations to the commissioner regarding
13 the implementation of such rules. The commissioner shall consider the
14 recommendations of the committee and make the recommendations
15 public and available for review.

16 (2)(a) This section is repealed, effective July 1, 2013.

17 (b) Prior to such repeal, the advisory committee shall be reviewed
18 as provided for in section 2-3-1203, C.R.S.

19 **12-7-105. Reports and records required - bonding agents -**
20 **board - rules.** (1) Each licensed bail bonding agent shall provide a
21 report to the division OF REGISTRATIONS no later than November 1 of each
22 year. ~~Such~~ THE report shall MUST be in the form and manner that the
23 ~~division~~ BOARD requires and shall MUST include ~~but shall not be limited~~
24 ~~to~~, the following information:

25 (a) The names of the persons for whom ~~such~~ THE bail bonding
26 agent has become surety;

27 (b) A description of any bond activity;

1 (e) ~~(Deleted by amendment, L. 96, p. 1183, 8, effective June 1,~~
2 ~~1996.)~~

3 ~~(d)~~ (c) The amount of collateral or security received;

4 (e) ~~(Deleted by amendment, L. 96, p. 1183, 8, effective June 1,~~
5 ~~1996.)~~

6 ~~(e.5)~~ (d) The names of persons for whom ~~such~~ THE bail bonding
7 agent has become surety and who have failed to appear;

8 (f) (e) ~~Such further~~ ANY ADDITIONAL information as THAT the
9 ~~division~~ BOARD may ~~reasonably~~ require BY RULE.

10 (2) The division OF REGISTRATIONS shall keep records as
11 necessary of all matters pertaining to its regulation of bail bonding agents.
12 ~~Such~~ The records ~~shall~~ MUST be kept in compliance with article 17 of title
13 6, C.R.S., and ~~shall~~ MUST include copies of all applications, examinations,
14 and reports filed by or completed on behalf of ~~any~~ A bonding agent or
15 person seeking licensure as a bonding agent; complaints regarding any
16 facet of the bail bond industry, including ~~but not limited to~~ complaints
17 involving ~~any~~ A licensee; and summaries of actions taken by the ~~division~~
18 BOARD against or on behalf of ~~any such~~ A bonding agent.

19 (3) THE BOARD SHALL DEVELOP BY RULE STANDARDS AND
20 PROCEDURES TO MONITOR LICENSEES ON THE BOARD AND FOR LICENSEES
21 TO TAKE APPROPRIATE ACTION TO RECTIFY A DELINQUENCY CAUSING THE
22 LICENSEE TO REMAIN ON THE BOARD FOR A PERIOD EXCEEDING THIRTY
23 DAYS.

24 **12-7-105.5. Bail recovery services - requirements.** (1) ~~On or~~
25 ~~after October 1, 1998,~~ Prior to hiring, contracting with, or paying ~~any~~
26 compensation to ~~any~~ AN individual other than another licensed bail
27 bonding agent for bail recovery services, a licensed bail bonding agent

1 shall take all of the following actions:

2 (a) ~~The agent shall~~ Contact the Colorado bureau of investigation
3 pursuant to the requirements of subsection (3) of this section to confirm
4 that the person has submitted fingerprints to the bureau for a ~~criminal~~
5 ~~background~~ FINGERPRINT-BASED CRIMINAL HISTORY RECORD check and
6 to confirm that ~~such~~ THE person has not been convicted of or pled guilty
7 or nolo contendere to any felony under federal or state law.

8 (b) ~~For employment commencing on or after January 1, 1999, the~~
9 ~~agent shall~~ Obtain a copy of a certificate of training from the individual
10 indicating that ~~such~~ THE individual has received training in bail fugitive
11 apprehension from a private bail recovery program or an accredited
12 institution of higher education. ~~Such~~ THE training ~~shall~~ MUST comply
13 with the standards established by the peace officers standards and training
14 board pursuant to section 24-31-303 (1) (h), C.R.S., and ~~shall not exceed~~
15 MUST BE AT LEAST sixteen ~~clock~~ hours IN DURATION.

16 (c) ~~The agent shall~~ Obtain a statement from the individual
17 attesting, under penalty of perjury, that ~~such~~ THE person is providing true
18 and complete information to the bail bonding agent.

19 (d) RECEIVE FROM THE DIVISION OF REGISTRATIONS PROOF THAT
20 THE INDIVIDUAL SATISFACTORILY COMPLETED AT LEAST ONE HUNDRED
21 HOURS OF FUGITIVE APPREHENSION EDUCATION OR TRAINING FROM A
22 BOARD-APPROVED COURSE OFFERED BY A RECOGNIZED STATE BAIL BOND
23 ASSOCIATION.

24 (2) ~~Any~~ AN individual who wishes to be employed by a licensed
25 bail bonding agent to perform bail recovery services shall have his or her
26 fingerprints taken by a local law enforcement agency for the purposes of
27 obtaining a ~~background~~ FINGERPRINT-BASED CRIMINAL HISTORY RECORD

1 check. The individual is required to submit payment by certified check
2 or money order for the fingerprints and for the ~~background~~
3 FINGERPRINT-BASED CRIMINAL HISTORY RECORD check at the time the
4 fingerprints are taken. ~~Any person who wishes to complete the~~
5 ~~background check process by the time that background checks are~~
6 ~~required for employment on October 1, 1998, shall submit a set of~~
7 ~~fingerprints to a local law enforcement agency on or before July 1, 1998.~~

8 (3) Upon receipt of fingerprints from a law enforcement agency
9 and the payment for costs required by subsection (2) of this section, the
10 Colorado bureau of investigation shall ~~utilize such~~ USE THE fingerprints,
11 the bureau's files and records, and the files and records of the federal
12 bureau of investigation ~~for the purpose of determining~~ TO DETERMINE
13 whether the individual has been convicted of or pled guilty or nolo
14 contendere to any felony under federal or state law during the previous
15 fifteen years. The bureau shall establish and maintain files regarding the
16 criminal backgrounds of persons seeking to provide bail recovery
17 services.

18 (4) (a) ~~On or after October 1, 1998,~~ A licensed bail bonding agent
19 may not hire, contract with, or pay ~~any~~ compensation to ~~any~~ AN individual
20 for bail recovery services if the inquiry to the Colorado bureau of
21 investigation required by paragraph (a) of subsection (1) of this section
22 indicates that the bureau has not completed a ~~background~~
23 FINGERPRINT-BASED CRIMINAL HISTORY RECORD check on the individual
24 or if the bail bonding agent knows, through the inquiry to the Colorado
25 bureau of investigation or through any other source, that ~~such~~ THE
26 individual has been convicted of or pled guilty or nolo contendere to a
27 felony under federal or state law during the previous fifteen years.

1 (b) ~~Beginning no later than October 1, 1998,~~ The Colorado bureau
2 of investigation shall accept inquiries from licensed bail bonding agents
3 regarding the criminal background records of individuals seeking
4 employment to perform bail recovery services. A bail bonding agent shall
5 pay the cost of each inquiry made to the bureau through ~~such~~ A payment
6 method ~~as is~~ established by the bureau. Upon receiving an inquiry, the
7 bureau shall inform the bail bonding agent whether a ~~background~~
8 FINGERPRINT-BASED CRIMINAL HISTORY RECORD check has been
9 completed for the individual and, if so, whether, according to the record
10 established by the bureau, ~~such~~ THE person has been convicted of or pled
11 guilty or nolo contendere to a felony under federal or state law during the
12 previous fifteen years. Prior to providing information under ~~the~~
13 ~~provisions of~~ this section, the bureau shall require a person making an
14 inquiry to provide the name of the bail bonding agent and ~~such~~ THE
15 agent's license number.

16 (5) The Colorado bureau of investigation, ~~any~~ A local law
17 enforcement agency, and ~~any~~ AN individual employed by the bureau or a
18 local law enforcement agency ~~shall~~ IS not ~~be~~ liable for any damages that
19 may result from good faith compliance with ~~the provisions of~~ this section.

20 **12-7-106. Denial, suspension, revocation, and refusal to renew**
21 **license - hearing - alternative civil penalty.** (1) The ~~division~~ BOARD
22 shall deny, suspend, revoke, or refuse to renew, as may be appropriate,
23 the license of ~~any person engaged in the business of~~ A bail bonding agent
24 for any of the following reasons:

25 (a) Failure of a cash bonding agent or professional cash bail
26 BONDING agent to post a qualified bond in the required amount with the
27 ~~division~~ BOARD during the period ~~such~~ THE person is engaged in the

1 business OF BAIL BONDING within this state or, if ~~such~~ THE bond has been
2 posted, the forfeiture or cancellation of ~~such~~ THE bond;

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

7 (c) ~~Any~~ ENGAGING IN AN activity prohibited in section 12-7-109
8 (1);

9 (d) Failure to satisfy, pay, or otherwise discharge a bail forfeiture
10 judgment after having his or her name placed on the board pursuant to
11 section 16-4-112 (5) (e), C.R.S., for more than forty-five consecutive days
12 for the same forfeiture;

13 (e) Conviction of a felony, a guilty plea to a felony, or a plea of
14 nolo contendere to a felony within the last ten years, regardless of
15 whether the conviction or plea resulted from conduct in or conduct related
16 to the bail bond business;

17 (f) Service of a sentence upon a conviction of a felony in a
18 correctional facility, city or county jail, or community correctional facility
19 or under the supervision of the state board of parole or any probation
20 department within the last ten years;

21 (g) Failure to report, to preserve without use and retain separately,
22 or to return collateral taken as security on any bond to the principal,
23 indemnitor, or depositor of ~~such~~ THE collateral;

24 (h) Soliciting business in or about any place where prisoners are
25 confined, arraigned, or in custody;

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

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

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

8 (l) ~~If~~ FOR a professional cash bail BONDING agent, ~~furnishes~~
9 FURNISHING a single bail in ~~any~~ A court in this state in an amount greater
10 than twice the amount of the professional cash bail BONDING agent's bond
11 posted with the ~~division~~ BOARD.

12 (2) If the ~~division~~ BOARD denies, suspends, revokes, or refuses to
13 renew ~~any such~~ A license, the BOARD SHALL GIVE THE aggrieved person
14 ~~shall be given~~ an opportunity for a hearing subject to judicial review as
15 provided in article 4 of title 24, C.R.S.

16 (3) Except for the reasons listed in paragraphs (e) and (f) of
17 subsection (1) of this section, the ~~commissioner~~ BOARD, in lieu of
18 revoking or suspending a license, may in any one proceeding, by order,
19 require the licensee to pay to the ~~commissioner~~ BOARD, to be deposited
20 in the general fund of the state, a civil penalty in the sum of no less than
21 three hundred dollars and no more than one thousand dollars for each
22 offense. Upon failure of the licensee to pay the penalty within twenty
23 days after the mailing of the order, postage prepaid, registered and
24 addressed to the last-known place of business of the licensee, the
25 ~~commissioner~~ BOARD may revoke the license of the licensee or may
26 suspend the license for such period as the ~~commissioner~~ BOARD may
27 determine, unless the ~~commissioner's~~ BOARD'S order is stayed by an order

1 of a court of competent jurisdiction.

2 **12-7-107. Notice to surety.** ~~(1) (Deleted by amendment, L. 96,~~
3 ~~p. 1185, § 10, effective June 1, 1996.)~~

4 ~~(2) Repealed.~~

5 ~~(3) The~~ A bail bonding agent shall prepare a list of all collateral
6 taken for assurance of compliance with the bond issued and the fee paid.
7 ~~therefor.~~ The bail bonding agent shall provide ~~such~~ THE list to the surety
8 within twenty days ~~of~~ AFTER taking the collateral. Failure to provide ~~this~~
9 THE written list to the surety, keep a file of all such lists for two years
10 following the end of the calendar year in which each was prepared, or
11 provide the list or a copy ~~thereof~~ OF THE LIST to the ~~commissioner~~ BOARD
12 on request is a violation of this section and ~~shall be~~ IS a ground for
13 revocation of the bail bonding agent's license.

14 **12-7-108. Bonding agreement - place of business - records -**
15 **payment schedule - disclosure statements - amounts allowed for fees,**
16 **premiums, or commissions - additional charge authorized - legislative**
17 **declaration.** (1) All indemnity agreements, promissory notes, premium
18 and collateral receipts, and bond revocation agreements ~~shall~~ MUST be in
19 writing and signed by the bail bonding agent and the defendant or
20 third-party indemnitor. If the defendant or third-party indemnitor is
21 illiterate or does not read the English language, ~~such~~ THE bail bonding
22 agent shall note on the indemnity agreement that he or she or a third party
23 has read or translated the agreement to the defendant or third-party
24 indemnitor and shall affix an affidavit attesting that the document was
25 translated to the indemnity agreement. Premium receipts shall be signed,
26 ~~be~~ dated, and list the amount of the bond paid, and the BAIL BONDING
27 AGENT SHALL GIVE THE original ~~given~~ RECEIPT to the defendant or the

1 third-party indemnitor.

2 (2) Each bail bonding agent shall use a third-party agent or his or
3 her own office for the purposes of service of process. The BAIL BONDING
4 AGENT SHALL FILE THE name and address of the place of business of the
5 bail bond agent or agent of service of process ~~shall be filed~~ with the
6 division of ~~insurance~~ REGISTRATIONS.

7 (3) As a minimum requirement for permanent office records, each
8 bail bonding agent who is engaged in the bail bond business shall
9 maintain a current and up-to-date bond register in a form AND with such
10 content as prescribed by the ~~commissioner~~ BOARD that ~~shall identify~~
11 IDENTIFIES all bonds or undertakings executed by the licensee.

12 (4) Each bail bonding agent who accepts money or ~~any~~ other
13 consideration for a bond or undertaking shall, for each payment received,
14 give to each indemnitor a prenumbered, signed receipt as evidence of
15 payment. The prenumbered, signed receipt ~~shall~~ MUST state the date, the
16 name of the defendant, a description of the consideration or amount of
17 money received and the purpose for which it was received, the number of
18 any applicable power-of-attorney form attached to the bond, the penal
19 sum of the bond, the name of the indemnitor, and the terms under which
20 the money or other consideration ~~shall~~ WILL be released. Each bail
21 bonding agent shall retain a duplicate copy of each receipt issued as part
22 of the agent's records and shall account for all of the prenumbered
23 receipts, whether they were issued to an indemnitor or WHETHER THEY
24 WERE destroyed or otherwise not used by the agent.

25 (5) The bail bonding agent shall keep at the place of his or her
26 business or, if using an agent for service of process required pursuant to
27 subsection (2) of this section, ~~shall~~ make available at the business of the

1 agent for service of process, all records pertaining to transactions made
2 under the agent's license. ~~and THE BAIL BONDING AGENT~~ shall keep all the
3 records as to any particular transaction available and open to inspection
4 by the ~~commissioner or the commissioner's authorized representative~~
5 BOARD during normal business hours for ~~the~~ three years immediately after
6 the date of release of the bond and return of the collateral, if applicable,
7 or proof of notice to the defendant or third-party indemnitor that the terms
8 of ~~any~~ A promissory note have been satisfied. ~~Such~~ THE records include:
9 ~~without limitation:~~

10 (a) Records of all bail bonds the bail bonding agent executes or
11 countersigns;

12 (b) Copies of ~~any~~ receipts issued to the indemnitor who pays the
13 money for the premium and the collateral agreement, signed by a licensed
14 bail bonding agent;

15 (c) An executed agreement, signed by the indemnitor and a
16 licensed bail bonding agent, setting forth the amount of bail set in the
17 case; the name of the defendant released on the bond; the court case
18 number, if available, and the court in which the bond is executed; the
19 premium charged; the amount and type of collateral held by the bail
20 bonding agent; and the conditions under which the collateral will be
21 returned;

22 (d) Evidence that the indemnitor has received copies of signed and
23 dated disclosure forms as required by subsection (9) of this section; and

24 (e) Any additional information the ~~commissioner~~ BOARD may
25 reasonably require by rule.

26 (6) The ~~commissioner~~ BOARD may examine the business practices,
27 books, and records of ~~any~~ A bail bonding agent as often as the

1 ~~commissioner~~ BOARD deems appropriate.

2 (7) (a) Except for bond filing fees charged by a court or law
3 enforcement agency and the actual cost of storing collateral in a secure,
4 self-service public storage facility or premium financing fees, ~~no bail~~
5 ~~bonding agent licensed under this article~~ A LICENSEE shall NOT charge for
6 ~~such bail bonding agent's~~ A premium, commission, or fee IN an amount
7 LESS THAN TEN PERCENT NOR more than fifteen percent of the amount of
8 bail furnished by ~~such~~ THE bonding agent. ~~or fifty dollars, whichever is~~
9 ~~more.~~

10 (b) (I) (A) NOTWITHSTANDING ANY PROVISION OF LAW TO THE
11 CONTRARY, AND IN ADDITION TO ANY AMOUNT THAT MAY BE LAWFULLY
12 CHARGED, A BAIL BONDING AGENT SHALL COLLECT A FEE OF FIFTEEN
13 DOLLARS PER PROFESSIONAL SURETY BOND POSTED FROM EACH
14 DEFENDANT OR THIRD-PARTY INDEMNITOR. THE BAIL BONDING AGENT
15 SHALL FORWARD THIS SUM TO THE SHERIFF OR OTHER LAW ENFORCEMENT
16 ENTITY WHO PROCESSES THE DEFENDANT'S BAIL. THE SHERIFF OR OTHER
17 LAW ENFORCEMENT ENTITY SHALL THEN TRANSMIT TEN DOLLARS TO THE
18 LOCAL PUBLIC SCHOOL DISTRICT AND RETAIN FIVE DOLLARS FOR COSTS
19 INCURRED IN PROCESSING THE CHARGE.

20 (B) THE BAIL BONDING AGENT SHALL NOT COLLECT THE FEE
21 COLLECTED UNDER SUB-SUBPARAGRAPH (A) OF THIS SUBPARAGRAPH (I)
22 FOR PERSONAL RECOGNIZANCE BONDS ORDERED BY A COURT, OR CASH OR
23 PROPERTY BONDS, OR ANY OTHER BOND FOR WHICH A DEFENDANT POSTS
24 HIS OR HER OWN ASSETS WITHOUT THE SERVICES OF A PROFESSIONAL
25 SURETY.

26 (II) THE GENERAL ASSEMBLY HEREBY FINDS, DETERMINES, AND
27 DECLARES THAT THE PRESENCE AND SUPPORT OF SCHOOLS IS DIRECTLY

1 CORRELATED WITH PREVENTING AND REDUCING CRIME. IT IS THEREFORE
2 APPROPRIATE AND BENEFICIAL TO ESTABLISH A MECHANISM WHERE THE
3 SCHOOL DISTRICTS DIRECTLY SUFFERING FROM CRIME RECEIVE FUNDS.

4 (8) An arrangement for the payment of all or part of the premium,
5 commission, or fee paid to a LICENSED bail bonding agent ~~licensed under~~
6 ~~this article shall~~ MUST be in writing; BE signed and dated by the bail
7 bonding agent AND the defendant or the third-party indemnitor, as
8 applicable; BE retained by the bail bonding agent, and a copy provided to
9 the defendant or third-party indemnitor; and ~~shall~~ set forth the schedule
10 of ~~such~~ THE payments. The signature of the bail bonding agent ~~shall~~
11 DOES not obligate ~~such~~ THE agent to pay any debt owed to a third-party
12 lender. Interest and financial charges on any unpaid premium ~~shall~~ MUST
13 comply with the "Uniform Consumer Credit Code", articles 1 to 9 of title
14 5, C.R.S. An insurer, cash bail bonding agent, and professional cash bail
15 bonding agent shall pay the appropriate premium tax.

16 (9) Every ~~bail bonding agent~~ LICENSEE shall provide, in a form
17 prescribed by the ~~commissioner~~ BOARD, a disclosure statement to each
18 defendant or third-party indemnitor.

19 (10) (a) The ~~bail bonding agent~~ LICENSEE may use collateral
20 received from the defendant or third-party indemnitor pursuant to this
21 article to secure the following obligations:

- 22 (I) Compliance with the bond issued on behalf of the principal;
- 23 (II) Any balance due on the premium, commission, or fee for the
24 bond; and
- 25 (III) Any related costs incurred by the agent as a result of issuing
26 the bond.

27 (b) The ~~bail bonding agent~~ LICENSEE shall provide an appropriate

1 disclosure and obtain the agreement of the defendant or third-party
2 indemnitor to use collateral to secure the obligations in paragraph (a) of
3 this subsection (10).

4 **12-7-109. Prohibited activities - penalties.** (1) It is unlawful for
5 any licensee under this article to engage in ~~any~~ of the following activities:

6 (a) Specify, suggest, or advise the employment of any particular
7 attorney to represent ~~such~~ THE licensee's principal;

8 (b) Pay a fee or rebate or give or promise to give anything of value
9 to a jailer, police officer, peace officer, clerk, deputy clerk, ~~any other~~ AN
10 employee of any court, district attorney or any of ~~such~~ THE district
11 attorney's employees, or ~~any~~ A person who has power to arrest or to hold
12 ~~any~~ A person in custody;

13 (c) Pay a fee or rebate or give anything of value to an attorney in
14 bail bond matters, except in defense of ~~any~~ AN action on a bond or as
15 counsel to represent ~~such~~ THE bail bonding agent or ~~such~~ THE bonding
16 agent's representative or employees;

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

19 (d.5) (I) Except for the PREMIUM, COMMISSION, OR fee received for
20 the bond ~~to fail~~ AND EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS
21 PARAGRAPH (d.5), FAILURE to return ~~any~~ A collateral or security within ten
22 working days after receipt of a copy of the court order that results in a
23 release of the bond by the court, unless the collateral also secures other
24 obligations in compliance with section 12-7-108 (10). THE PERSON FOR
25 WHOM THE BOND WAS WRITTEN SHALL PROVIDE a copy of the court order
26 ~~shall be provided~~ to the bonding agent in Colorado or the company, if
27 any, for whom the bonding agent works, whether in Colorado or

1 out-of-state, or both. ~~by the person for whom the bond was written;~~
2 ~~except that,~~

3 (II) If three years have elapsed from the date of the posting of the
4 bond, unless a judgment has been entered against the surety or the
5 principal for the forfeiture of the bond, or unless the court grants an
6 extension of the three-year ~~time~~ period for good cause shown, the bail
7 bonding agent, as principal or as surety, shall be exonerated and, at the
8 request of the person who tendered the collateral or security, SHALL return
9 the collateral or security to the person who posted the collateral or
10 security within ten business days after the three-year ~~time~~ period. The
11 ~~commissioner~~ BOARD may release a lien after the three-year ~~time~~ period
12 has expired if the lienholder cannot be contacted after an attempt has been
13 made by certified mail and the attempt has failed.

14 (e) EXCEPT AS OTHERWISE PROVIDED IN SECTION 12-7-108 (7),
15 accept anything of value, OTHER THAN THE PREMIUM, COMMISSION, OR FEE
16 ON THE BOND, from a person on whose bond ~~such~~ THE licensee is surety
17 or from others on behalf of ~~such~~ THE person; ~~except the fee or premium~~
18 ~~on the bond but~~ THAT, the bail bonding agent may accept collateral
19 security or other indemnity if:

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

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

27 (III) The collateral or security taken by the bail bonding agent is

1 not pledged directly to ~~any~~ A court as security for ~~any~~ AN appearance
2 bond; and

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

6 (f) Coerce, suggest, aid and abet, offer promise of favor, or
7 threaten ~~any~~ A person on whose bond ~~such~~ THE licensee is surety or offers
8 to become surety to induce that person to commit ~~any~~ A crime;

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

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

16 ~~(k)~~ (h) (I) Accept anything of value, OTHER THAN THE PREMIUM,
17 COMMISSION, OR FEE ON THE BOND, from a person on whose bond ~~such~~
18 THE licensee is indemnitor or from another on behalf of ~~such~~ THE
19 principal, ~~except the premium~~; except ~~that~~ AS PROVIDED IN
20 SUBPARAGRAPH (II) OF THIS PARAGRAPH (h).

21 (II) (A) The bail bonding agent licensed under this article may
22 accept collateral security or other indemnity from the person on whose
23 bond ~~such~~ THE bail bonding agent is indemnitor or from another on behalf
24 of ~~such~~ THE principal. THE BAIL BONDING AGENT SHALL RETURN all ~~such~~
25 collateral or other indemnity ~~shall be returned~~ pursuant to the
26 requirements ~~contained~~ in paragraph (d.5) of this subsection (1).

27 (B) The bail bonding agent licensed under this article shall

1 preserve and separately retain ~~such~~ THE collateral ~~and shall be~~ AND IS
2 responsible for the return of all ~~such~~ collateral taken, and ~~shall be~~ THE
3 BAIL BONDING AGENT AND SURETY COMPANY IS liable for failure ~~thereof~~
4 ~~as will also be the surety company~~ OF THE COLLATERAL. When a bail
5 bonding agent accepts collateral as security pursuant to this ~~paragraph (k)~~,
6 ~~such~~ SUBPARAGRAPH (II), THE bail bonding agent shall give a written
7 receipt for ~~such~~ THE collateral to the person on whose bond ~~such~~ THE bail
8 bonding agent is indemnitor or to another on behalf of ~~such~~ THE principal
9 and the surety, which shall provide in detail a full description of the
10 collateral received.

11 (C) In the event of the failure of or inability for any reason of a
12 bail bonding agent or ~~such~~ THE bail bonding agent's heirs or assignees to
13 return collateral as required in this ~~paragraph (k)~~ SUBPARAGRAPH (II), the
14 ~~commissioner~~ BOARD or the ~~commissioner's~~ BOARD'S designee is
15 authorized to take immediate possession of the collateral and take
16 whatever actions are necessary and appropriate to assure compliance with
17 the obligations of this article relating to the return of collateral. The
18 ~~commissioner~~ BOARD is authorized to utilize any ~~or all~~ of the qualification
19 bond required in section ~~12-7-103(3)~~ 12-7-103(4) for any costs incurred.
20 Any ~~such~~ payment received by the ~~commissioner~~ BOARD is hereby
21 appropriated to the ~~division of insurance in addition to any other funds~~
22 ~~appropriated for its normal operation~~ BOARD FOR USE IN PERFORMING ITS
23 FUNCTION UNDER THIS ARTICLE. The ~~commissioner~~ BOARD shall forfeit
24 a qualification bond in the amount necessary to pay ~~any~~ A final,
25 nonappealable judgment award for failure to return collateral, including
26 costs and attorney's fees, if awarded.

27 (H) (i) Sign or countersign blank bail bonds or execute a power of

1 attorney or otherwise authorize ~~anyone~~ A PERSON to countersign ~~such~~ THE
2 licensee's name to bonds;

3 ~~(m)~~ (j) For ~~any one~~ A licensee to have more than one bond posted
4 at ~~any one~~ A time and, in ~~any~~ A single case, on behalf of ~~any one~~ person;

5 ~~(n)~~ (k) Fail to issue to the person from whom collateral or security
6 is taken a receipt ~~which~~ THAT includes a description of the collateral or
7 security at the time it is taken into the custody of the bail bonding agent;

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

14 (2) ~~Any~~ A licensee who violates ~~any provision of~~ subsection (1)
15 of this section is guilty of a misdemeanor and, upon conviction thereof,
16 shall be punished by a fine of not more than one thousand dollars, or by
17 imprisonment in the county jail for not more than one year, or by both
18 such fine and imprisonment. ~~Any~~ A criminal penalty prescribed in this
19 section for a violation of this article ~~shall be~~ IS in addition to, and not
20 exclusive of, any other applicable penalty prescribed by law OR
21 DISCIPLINARY ACTION BY THE BOARD PURSUANT TO SECTION 12-7-106.

22 (3) ~~Any~~ A person who acts or attempts to act as a bail bonding
23 agent and who is not licensed ~~as such~~ under this article is guilty of a
24 misdemeanor and, upon conviction thereof, shall be punished by a fine of
25 not more than one thousand dollars, or by imprisonment in the county jail
26 for not more than one year, or by both such fine and imprisonment.

27 **12-7-109.5. Appointment of bail bonding agent by bail**

1 **insurance company - continuation - renewal - exceptions.** (1) A
2 LICENSEE SHALL NOT CLAIM TO BE A REPRESENTATIVE OR AUTHORIZED OR
3 APPOINTED AGENT OF, OR USE ANY OTHER TERM IMPLYING A
4 CONTRACTUAL RELATIONSHIP WITH, A PARTICULAR BAIL INSURANCE
5 COMPANY OR ACCEPT APPLICATIONS ON BEHALF OF A BAIL INSURANCE
6 COMPANY UNLESS THE LICENSEE IS APPOINTED BY THAT BAIL INSURANCE
7 COMPANY, IN ACCORDANCE WITH THIS SECTION, TO ACT IN THE CAPACITY
8 OF AN AGENT OF THE COMPANY.

9 (2) A BAIL INSURANCE COMPANY SHALL:

10 (a) NOTIFY THE BOARD OF EACH PRODUCER BAIL BONDING AGENT
11 APPOINTMENT; AND

12 (b) FILE WITH THE BOARD, MONTHLY OR AT SUCH OTHER LESS
13 FREQUENT INTERVALS AS THE BOARD MAY PRESCRIBE, A CURRENT LIST OF
14 LICENSEES THAT IT HAS APPOINTED TO SOLICIT BUSINESS ON ITS BEHALF.
15 THE LIST SHALL CONTAIN ALL RELEVANT APPOINTMENT INFORMATION AS
16 PRESCRIBED BY THE BOARD, INCLUDING THE EFFECTIVE DATE OF
17 APPOINTMENT.

18 (3) EACH APPOINTMENT REMAINS IN EFFECT UNTIL:

19 (a) THE LICENSEE'S LICENSE EXPIRES OR IS SUSPENDED OR
20 REVOKED BY THE BOARD; OR

21 (b) THE BAIL INSURANCE COMPANY FILES NOTICE OF TERMINATION
22 OF THE APPOINTMENT WITH THE BOARD PURSUANT TO SECTION 10-2-415.7,
23 C.R.S.

24 (4) THE BOARD SHALL NOTIFY A BAIL INSURANCE COMPANY IN
25 WRITING IF THE LICENSE OF AN APPOINTEE EXPIRES OR IS SUSPENDED OR
26 REVOKED.

27 **12-7-110. Penalty for violation of bond conditions. (Repealed)**

1 **12-7-110.5. Rate filing - rules.** ~~(1) All cash and professional~~
2 ~~cash bail bonding agents and all surety companies shall file with the~~
3 ~~division of insurance a schedule of premium rates charged for bail by the~~
4 ~~bail bonding agent and shall file revised rates with the division whenever~~
5 ~~the rates change.~~

6 ~~(2) The commissioner of insurance shall promulgate rules~~
7 ~~regarding the rate filing requirement pursuant to this section.~~

8 **12-7-111. Tax on fees charged.** Each bail bonding agent who
9 furnishes bail in a form other than in the form of the bail bond of an
10 insurer shall pay to the division OF INSURANCE a tax on the fees charged
11 for bail by ~~such~~ THE bail bonding agent. ~~Such~~ THE tax ~~shall~~ MUST be the
12 same as the tax levied on insurance companies by section 10-3-209 (1),
13 C.R.S., and, EXCEPT AS OTHERWISE PROVIDED IN SECTION 10-3-209 (4)
14 (b), C.R.S., all applicable provisions of ~~such~~ THAT section ~~shall be~~
15 ~~applied~~ APPLY to ~~such~~ A bail bonding agent in the same manner, amounts,
16 and procedure as they ~~are applied~~ APPLY to insurance companies. ~~in such~~
17 ~~section.~~

18 **12-7-112. Repeal of article - review of functions.** This article
19 is repealed, effective ~~July 1, 2012~~ SEPTEMBER 1, 2021. Prior to ~~such~~
20 THAT repeal, the ~~licensing functions~~ REGULATION of ~~the commissioner~~
21 ~~and the division~~ BAIL BONDING AGENTS BY THE BOARD shall be reviewed
22 as provided ~~for~~ in section 24-34-104, C.R.S.

23 **12-7-113. Scope of article - relation to insurance laws.** (1) ~~The~~
24 ~~commissioner of insurance or his or her designee is authorized to examine~~
25 ~~the relevant records of all licensed bail bonding agents in order to ensure~~
26 ~~consumer protection through the pursuit of administrative compliance~~
27 ~~actions and enforcement.~~ THE BOARD IS VESTED WITH THE EXCLUSIVE

1 AUTHORITY TO REGULATE BAIL BONDING AGENTS IN COLORADO.
2 NOTHING IN THIS ARTICLE ABROGATES OR IMPAIRS THE REGULATION OF
3 BAIL INSURANCE COMPANIES BY THE DIVISION OF INSURANCE UNDER TITLE
4 10, C.R.S.

5 (2) ~~Not more than once every three years,~~ The commissioner of
6 insurance or his or her designee may REQUEST THAT THE BOARD examine
7 the records of ~~all licensed bail bonding agents~~ A LICENSEE OR ALL
8 LICENSEES for the purpose of a market conduct examination OR
9 INVESTIGATION.

10 **SECTION 2.** 10-1-103 (6) (b) (I) (A) and (6) (b) (I) (D),
11 Colorado Revised Statutes, are amended to read:

12 **10-1-103. Division of insurance - subject to termination -**
13 **repeal of functions.** (6) (b) (I) (A) ~~The functions of the division of~~
14 ~~insurance related to the licensing of bail bonding agents are repealed,~~
15 ~~effective July 1, 2012, pursuant to the provisions of this section and~~
16 ~~section 12-7-112, C.R.S.~~

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

21 **SECTION 3.** 10-2-301 (6) (a) and (6) (c), Colorado Revised
22 Statutes, are amended to read:

23 **10-2-301. Continuing education requirement - advisory**
24 **committee - rules.** (6) (a) The commissioner ~~shall be~~ IS responsible for
25 administering the continuing insurance education requirements under this
26 article ~~and the continuing education requirements under article 7 of title~~
27 ~~12, C.R.S.,~~ and approving courses of instruction ~~which~~ THAT qualify for

1 ~~such~~ CONTINUING INSURANCE EDUCATION purposes. The commissioner
2 shall promulgate ~~such rules and regulations~~ as the commissioner deems
3 necessary to administer ~~such~~ THE continuing education requirements,
4 including the ~~provisions and~~ requirements of this section. ~~The~~
5 commissioner shall also promulgate regulations requiring that producers
6 and bail bonding agents licensed under article 7 of title 12, C.R.S., be
7 required to provide to a continuing education administrator proof of
8 compliance with the continuing education requirements as a condition of
9 license renewal. For persons licensed pursuant to section 10-11-116 (1)
10 (c), compliance with the continuing legal education credits requirements
11 of the Colorado supreme court shall be deemed to meet the requirements
12 of this section.

13 (c) ~~Each producer and bail bonding agent licensed under article~~
14 ~~7 of title 12, C.R.S., shall be responsible for paying to the continuing~~
15 ~~education administrator a reasonable biennial fee for the operation of the~~
16 ~~continuing education programs, which fee shall be used to administer the~~
17 ~~provisions of this section.~~

18 **SECTION 4.** 10-3-209 (4), Colorado Revised Statutes, is
19 amended to read:

20 **10-3-209. Tax on premiums collected - exemptions - penalties**
21 **- legislative declaration.** (4) (a) EXCEPT AS OTHERWISE PROVIDED IN
22 PARAGRAPH (b) OF THIS SUBSECTION (4), all taxes, penalties, and fines
23 collected by the division of insurance under ~~the provisions of this section~~
24 AND UNDER SECTION 12-7-111, C.R.S., shall be transmitted to the
25 department of the treasury and credited to the general fund; except that
26 such amounts appropriated by the general assembly to the division of
27 insurance cash fund, created in section 10-1-103 (3), not to exceed a

1 maximum of five percent of all taxes collected under this section, shall be
2 transmitted to the state treasurer and deposited in the division of
3 insurance cash fund.

4 (b) (I) THE STATE TREASURER SHALL TRANSFER ALL PREMIUM
5 TAXES COLLECTED FROM BAIL BONDING AGENTS, AS DEFINED IN SECTION
6 12-7-101, TO THE PUBLIC SCHOOL FUND DESCRIBED IN SECTION 22-41-101,
7 C.R.S.

8 (II) THE GENERAL ASSEMBLY HEREBY FINDS, DETERMINES, AND
9 DECLARES THAT THE PRESENCE AND SUPPORT OF SCHOOLS IS DIRECTLY
10 CORRELATED WITH PREVENTING AND REDUCING CRIME. IT IS THEREFORE
11 APPROPRIATE AND BENEFICIAL TO ESTABLISH A MECHANISM TO PROVIDE
12 FUNDING TO SCHOOLS IN AN EFFORT TO DIMINISH CRIME IN THIS STATE.

13 **SECTION 5.** The introductory portion to 10-2-407 (1) and
14 10-2-407 (1) (f), Colorado Revised Statutes, are amended to read:

15 **10-2-407. License - definitions of lines of insurance - authority.**

16 (1) Unless denied licensure pursuant to section 10-2-801, ~~or 12-7-106,~~
17 ~~C.R.S.~~, a person who has met the requirements of sections ~~10-2-401,~~
18 ~~10-2-404, 12-7-102, or 12-7-103, C.R.S.~~, 10-2-401 OR 10-2-404 may be
19 issued an insurance producer license. An insurance producer may receive
20 qualification for a single license to include one or more of the following
21 lines of authority:

22 (f) ~~Bail bonding agent including a surety agent, as defined in~~
23 ~~section 12-7-101 (1), C.R.S., a cash bonding agent, as defined in section~~
24 ~~12-7-102 (1), C.R.S., and a professional cash bail agent, as defined in~~
25 ~~section 12-7-101 (7), C.R.S.;~~

26 **SECTION 6. Repeal.** 10-2-415.5, Colorado Revised Statutes, is
27 repealed as follows:

1 **10-2-415.5. Appointment of insurance producer bail bonding**
2 **agent - continuation - renewal - exceptions.** ~~(1) No insurance producer~~
3 ~~with bail bonding agent authority as set forth in section 10-2-407 (1) (f)~~
4 ~~shall claim to be a representative or authorized or appointed agent of, or~~
5 ~~use any other term implying a contractual relationship with, a particular~~
6 ~~insurer or accept applications on behalf of such insurer unless such~~
7 ~~insurance producer becomes, pursuant to a contract in writing, a producer~~
8 ~~appointee, appointed by that insurer in accordance with this section, to act~~
9 ~~in the capacity of an agent of the insurer.~~

10 ~~(2)(a) An insurer shall notify the commissioner of each producer~~
11 ~~bail bonding agent appointment. Each insurer shall file with the~~
12 ~~commissioner, monthly or at such other less frequent intervals as the~~
13 ~~commissioner may prescribe, a current list of insurance producers that it~~
14 ~~has appointed to solicit business on its behalf. The list shall contain all~~
15 ~~relevant appointment information as prescribed by the commissioner,~~
16 ~~including the effective date of appointment.~~

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

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

22 ~~(II) Notice of termination of the appointment is filed with the~~
23 ~~commissioner by the insurer.~~

24 ~~(3) Each active insurance producer bail bonding agent~~
25 ~~appointment shall be subject to renewal on October 1 of the renewal year.~~
26 ~~The division shall provide a list of active insurance producer appointees~~
27 ~~to the insurer along with a renewal invoice stating the fee required for the~~

1 ~~renewal of each active insurance producer bail bonding agent~~
2 ~~appointment.~~

3 ~~(4) Any appointment that is not renewed on or before October 1~~
4 ~~shall be deemed to have expired or been discontinued, effective on that~~
5 ~~date; except that the commissioner may renew an insurer's appointment~~
6 ~~upon receipt of the renewal invoice together with the renewal fees due~~
7 ~~and any applicable late fee.~~

8 **SECTION 7.** 10-2-415.7, Colorado Revised Statutes, is amended
9 to read:

10 **10-2-415.7. Termination of bail bonding agent - notice -**
11 **penalty.** (1) Upon the termination of the appointment of ~~an insurance~~
12 ~~producer~~ A bail bonding agent THAT THE INSURER HAS APPOINTED OR
13 ENGAGED OR WITH WHOM THE INSURER HAS CONTRACTED, the insurer
14 shall, within fifteen days, notify the ~~commissioner~~ STATE BAIL BONDING
15 AGENT BOARD CREATED IN SECTION 12-7-101.5, C.R.S., ALSO REFERRED
16 TO IN THIS SECTION AS THE "BOARD", and the appointee of such
17 termination by certified mail.

18 (2) If the termination of an agent's appointment is for any of the
19 causes listed in section 10-1-128, ~~10-2-801~~, 12-7-106, or 12-7-109,
20 C.R.S., the insurer shall notify the ~~commissioner~~ STATE BAIL BONDING
21 AGENT BOARD of the reason and, if the ~~commissioner~~ BOARD so requests,
22 the insurer shall provide any information, records, statements, or other
23 data pertaining to the termination that may be used by the ~~division~~ BOARD
24 in any action taken pursuant to ~~sections 10-2-801 and~~ SECTION 12-7-106,
25 C.R.S.

26 (3) Any information, documents, records, or statements provided
27 pursuant to this section ~~shall be~~ ARE privileged, and there ~~shall be~~ IS no

1 liability on the part of, nor shall a cause of action of any nature arise
2 against, the ~~division~~ BOARD, the insurance company, or any authorized
3 representative for requesting or providing ~~such~~ THE information,
4 documents, records, or statements; except that ~~such~~ THE information may
5 be used by the ~~division~~ BOARD to pursue administrative ~~or criminal~~
6 ~~prosecutions~~ ACTION.

7 (4) In addition to any other penalty or liability authorized by law,
8 the failure or refusal of any insurer to comply with the requirements of
9 subsection (1) or (2) of this section ~~shall be~~ IS cause for the assessment
10 against the insurer of a civil penalty of up to one thousand dollars for each
11 ~~such~~ failure or refusal if, after notice to the insurer and after a hearing in
12 accordance with section 24-4-105, C.R.S., the commissioner finds that the
13 insurer has violated this section.

14 **SECTION 8.** The introductory portion to 10-2-502 (1), Colorado
15 Revised Statutes, is amended to read:

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

22 **SECTION 9.** 16-4-112 (2) (c), Colorado Revised Statutes, is
23 amended to read:

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

27 (c) "Compensated surety" means ~~any~~ A person in the business of

1 writing bail appearance bonds, ~~who is subject to regulation by the~~
2 ~~division of insurance in the department of regulatory agencies~~; including
3 bonding agents and bail insurance companies. Nothing in this paragraph
4 (c) shall be construed to authorize bail insurance companies to write bail
5 bonds except through licensed bail bonding agents.

6 **SECTION 10.** 22-41-101 (2), Colorado Revised Statutes, is
7 amended to read:

8 **22-41-101. Composition of fund.** (2) (a) The public school fund
9 of the state ~~shall consist~~ CONSISTS of the proceeds of such lands as have
10 been, or may be, granted to the state by the federal government for
11 educational purposes; all estates that may escheat to the state; all other
12 grants, gifts, or devises that may be made to the state for educational
13 purposes; and such other moneys as the general assembly may appropriate
14 or transfer.

15 (b) THE PUBLIC SCHOOL FUND INCLUDES PREMIUM TAXES
16 COLLECTED FROM BAIL BONDING AGENTS PURSUANT TO SECTION 12-7-111,
17 C.R.S.

18 **SECTION 11.** 24-31-303 (1) (h), Colorado Revised Statutes, is
19 amended to read:

20 **24-31-303. Duties - powers of the P.O.S.T. board.** (1) The
21 P.O.S.T. board has the following duties:

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

25 **SECTION 12. Repeal.** 2-3-1203 (3) (z) (III), Colorado Revised
26 Statutes, is repealed as follows:

27 **2-3-1203. Sunset review of advisory committees.** (3) The

1 following dates are the dates for which the statutory authorization for the
2 designated advisory committees is scheduled for repeal:

3 (z) July 1, 2013:

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

6 **SECTION 13. Repeal.** 24-34-104 (43) (f), Colorado Revised
7 Statutes, is repealed as follows:

8 **24-34-104. General assembly review of regulatory agencies**
9 **and functions for termination, continuation, or reestablishment.**

10 (43) The following agencies, functions, or both, shall terminate on July
11 1, 2012:

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

14 **SECTION 14.** 24-34-104, Colorado Revised Statutes, is amended
15 BY THE ADDITION OF A NEW SUBSECTION to read:

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

18 (52.5) THE FOLLOWING AGENCIES, FUNCTIONS, OR BOTH, SHALL
19 TERMINATE ON SEPTEMBER 1, 2021:

20 (a) THE REGULATION OF BAIL BONDING AGENTS BY THE STATE BAIL
21 BONDING AGENT BOARD IN ACCORDANCE WITH ARTICLE 7 OF TITLE 12,
22 C.R.S.

23 **SECTION 15. Applicability.** This act shall apply to bail bonding
24 agent licenses applied for on or after the effective date of this act.

25 **SECTION 16. Safety clause.** The general assembly hereby finds,
26 determines, and declares that this act is necessary for the immediate
27 preservation of the public peace, health, and safety.