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An Act

SENATE BILL 14-133

BY SENATOR(S) Newell, Guzman, Todd, Tochtrop, Carroll;
also REPRESENTATIVE(S) Melton, Fields, Hullinghorst, Labuda, Tyler,
Wright.

CONCERNING THE REGULATION OF PRIVATE INVESTIGATORS BY THE
DEPARTMENT OF REGULATORY AGENCIES, AND, IN CONNECTION
THEREWITH, MAKING APPROPRIATIONS.

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

SECTION 1. In Colorado Revised Statutes, **repeal and reenact, with amendments,** article 58.5 of title 12 as follows:

ARTICLE 58.5 **Private Investigators**

12-58.5-101. [Similar to 12-58.5-101] **Short title.** THIS ARTICLE SHALL BE KNOWN AND MAY BE CITED AS THE "PRIVATE INVESTIGATORS LICENSURE ACT".

12-58.5-102. [Similar to 12-58.5-102] **Legislative declaration.**
(1) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT:

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

(a) PRIVATE INVESTIGATORS OFTEN PERFORM INVESTIGATIONS OF A SENSITIVE NATURE, DELVING INTO MATTERS IMPACTING PERSONAL PRIVACY;

(b) WHILE MOST PRIVATE INVESTIGATORS PERFORM INVESTIGATIONS IN AN ETHICAL AND PROFESSIONAL MANNER, LACK OF MANDATORY REGULATION OF PRIVATE INVESTIGATORS IN THIS STATE PERMITS ANY PERSON, REGARDLESS OF HIS OR HER CRIMINAL HISTORY OR KNOWLEDGE OF LAWS IMPACTING PRIVATE INVESTIGATIONS, TO PRESENT HIMSELF OR HERSELF TO THE PUBLIC AS A PRIVATE INVESTIGATOR AND PERFORM PRIVATE INVESTIGATIONS FOR OTHERS;

(c) IMPOSING MANDATORY REGULATION ON PRIVATE INVESTIGATORS CONDUCTING PRIVATE INVESTIGATIONS IN THIS STATE IS NECESSARY TO PROTECT CONSUMERS BY ENSURING PRIVATE INVESTIGATORS HAVE THE APPROPRIATE KNOWLEDGE AND ABILITY TO PERFORM INVESTIGATIONS IN AN ETHICAL AND PROFESSIONAL MANNER;

(d) BALANCING CONSUMER PROTECTION WITH THE INTERESTS OF PRIVATE BUSINESSES AND INDIVIDUALS DESIRING TO ENGAGE IN THE PRIVATE INVESTIGATION PROFESSION IS LIKEWISE IMPORTANT;

(e) IT IS IN THE INTERESTS OF CONSUMERS AND PRIVATE INVESTIGATORS FOR THE STATE TO DEVELOP THE APPROPRIATE LEVEL OF REGULATION OF PRIVATE INVESTIGATORS THAT PROTECTS CONSUMERS WITHOUT CREATING UNNECESSARY BARRIERS TO ENTRY INTO THE PROFESSION.

(2) THE GENERAL ASSEMBLY THEREFORE FINDS THAT IN ORDER TO PROTECT THE CITIZENS OF THE STATE AND TO ENSURE THAT NEEDLESS REQUIREMENTS ARE NOT IMPOSED THAT RESTRICT ACCESS INTO THE PROFESSION, IT IS IMPORTANT TO CREATE THE LICENSURE PROGRAM ESTABLISHED IN THIS ARTICLE TO REQUIRE PRIVATE INVESTIGATORS TO OBTAIN A STATE-ISSUED LICENSE TO CONDUCT PRIVATE INVESTIGATIONS IN THIS STATE.

(3) THE GENERAL ASSEMBLY FURTHER FINDS THAT:

(a) THE NUMBER OF PRIVATE INVESTIGATORS LICENSED UNDER THE "PRIVATE INVESTIGATORS VOLUNTARY LICENSURE ACT", ENACTED BY

HOUSE BILL 11-1195 IN 2011, WHICH ALLOWS PRIVATE INVESTIGATORS THE OPTION TO OBTAIN A STATE-ISSUED LICENSE, IS INSUFFICIENT TO JUSTIFY CONTINUING THE VOLUNTARY PROGRAM;

(b) THE VOLUNTARY LICENSURE PROGRAM IS CURRENTLY OPERATING AT A LOSS AS THE LICENSE FEES BASED ON THE NUMBER OF LICENSEES ARE INADEQUATE TO FULLY FUND THE PROGRAM, AND INCREASING THE FEES TO A LEVEL THAT WOULD SUSTAIN THE PROGRAM RESULTS IN UNAFFORDABLE FEES, AND CONSEQUENTLY, FEWER AND FEWER PRIVATE INVESTIGATORS ARE PARTICIPATING IN THE VOLUNTARY PROGRAM;

(c) WHILE THE VOLUNTARY PROGRAM IS UNSUSTAINABLE, IT IS IMPORTANT TO PROTECT CONSUMERS BY ESTABLISHING MINIMUM STANDARDS FOR AND REQUIREMENTS FOR LICENSURE OF PRIVATE INVESTIGATORS;

(d) BY REPEALING THE VOLUNTARY PROGRAM AND REPLACING IT WITH A MANDATORY LICENSURE PROGRAM, THE INTENT IS TO CONTINUE REGULATING PRIVATE INVESTIGATORS OPERATING IN THIS STATE TO ENSURE PRIVATE INVESTIGATORS ARE ENGAGING IN THE PROFESSION IN AN ETHICAL MANNER AND HAVE THE APPROPRIATE KNOWLEDGE AND ABILITY TO PERFORM INVESTIGATIONS;

(e) AS THE MANDATORY PROGRAM WILL REGULATE THE SAME TYPES OF PROFESSIONALS WHO COULD HAVE CHOSEN TO BE REGULATED UNDER THE VOLUNTARY PROGRAM, IT IS APPROPRIATE THAT PRIVATE INVESTIGATORS LICENSED UNDER THE MANDATORY PROGRAM SHARE IN THE REPAYMENT OF THE DEFICIT THAT RESULTED FROM THE VOLUNTARY PROGRAM; AND

(f) TO AVOID COST-PROHIBITIVE LICENSE FEES, IT IS THE INTENT OF THE GENERAL ASSEMBLY FOR THE DIVISION TO SPREAD THE REPAYMENT OF THE DEFICIT GENERATED BY THE VOLUNTARY PROGRAM OVER THE LIFE OF THE NEW MANDATORY PROGRAM, WHICH IS SCHEDULED TO REPEAL ON SEPTEMBER 1, 2020.

12-58.5-103. [Similar to 12-58.5-103] Definitions. AS USED IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "APPLICANT" MEANS A PRIVATE INVESTIGATOR WHO APPLIES FOR

AN INITIAL OR RENEWAL LICENSE PURSUANT TO THIS ARTICLE.

(2) "DIRECTOR" MEANS THE DIRECTOR OF THE DIVISION OR THE DIRECTOR'S DESIGNEE.

(3) "DIVISION" MEANS THE DIVISION OF PROFESSIONS AND OCCUPATIONS IN THE DEPARTMENT OF REGULATORY AGENCIES.

(4) "LICENSEE" MEANS A PRIVATE INVESTIGATOR LICENSED BY THE DIRECTOR PURSUANT TO THIS ARTICLE AS A LEVEL I OR LEVEL II PRIVATE INVESTIGATOR.

(5) "PRIVATE INVESTIGATION" MEANS UNDERTAKING AN INVESTIGATION FOR THE PURPOSE OF OBTAINING INFORMATION FOR OTHERS PERTAINING TO:

(a) A CRIME, WRONGFUL ACT, OR THREAT AGAINST THE UNITED STATES OR ANY STATE OR TERRITORY OF THE UNITED STATES;

(b) THE IDENTITY, REPUTATION, CHARACTER, HABITS, CONDUCT, BUSINESS OCCUPATION, HONESTY, INTEGRITY, CREDIBILITY, KNOWLEDGE, TRUSTWORTHINESS, EFFICIENCY, LOYALTY, ACTIVITY, MOVEMENTS, WHEREABOUTS, AFFILIATIONS, ASSOCIATIONS, OR TRANSACTIONS OF A PERSON, GROUP OF PERSONS, OR ORGANIZATION;

(c) THE CREDIBILITY OF WITNESSES OR OTHER PERSONS;

(d) THE WHEREABOUTS OF MISSING PERSONS;

(e) THE DETERMINATION OF THE OWNERS OF ABANDONED PROPERTY;

(f) THE CAUSES AND ORIGIN OF, OR RESPONSIBILITY FOR, LIBEL, SLANDER, A LOSS, AN ACCIDENT, DAMAGE, OR AN INJURY TO A PERSON OR TO REAL OR PERSONAL PROPERTY;

(g) THE BUSINESS OF SECURING EVIDENCE TO BE USED BEFORE AN INVESTIGATORY COMMITTEE, BOARD OF AWARD OR ARBITRATION, ADMINISTRATIVE BODY, OR OFFICER OR IN THE PREPARATION FOR OR IN A CIVIL OR CRIMINAL TRIAL;

(h) THE BUSINESS OF LOCATING PERSONS WHO HAVE BECOME DELINQUENT IN THEIR LAWFUL DEBTS, WHEN THE PRIVATE INVESTIGATOR LOCATING THE DEBTOR IS HIRED BY AN INDIVIDUAL OR COLLECTION AGENCY;

(i) THE LOCATION OR RECOVERY OF LOST OR STOLEN PROPERTY;

(j) THE AFFILIATION, CONNECTION, OR RELATIONSHIP OF ANY PERSON, FIRM, OR CORPORATION WITH ANY ORGANIZATION, SOCIETY, OR ASSOCIATION OR WITH ANY OFFICIAL, REPRESENTATIVE, OR MEMBER OF AN ORGANIZATION, SOCIETY, OR ASSOCIATION;

(k) THE CONDUCT, HONESTY, EFFICIENCY, LOYALTY, OR ACTIVITIES OF EMPLOYEES, PERSONS SEEKING EMPLOYMENT, AGENTS, CONTRACTORS, OR SUBCONTRACTORS; OR

(l) THE IDENTITY OF PERSONS SUSPECTED OF CRIMES OR MISDEMEANORS.

(6) "PRIVATE INVESTIGATOR" OR "PRIVATE DETECTIVE" MEANS A NATURAL PERSON WHO, FOR A FEE, REWARD, COMPENSATION, OR OTHER CONSIDERATION, ENGAGES IN BUSINESS OR ACCEPTS EMPLOYMENT TO CONDUCT PRIVATE INVESTIGATIONS.

12-58.5-104. [Similar to 12-58.5-104] Licensure - title protection - unauthorized practice - penalty - repeal. (1) (a) BY JUNE 1, 2015, A PRIVATE INVESTIGATOR CONDUCTING PRIVATE INVESTIGATIONS IN THIS STATE IS REQUIRED TO MEET THE QUALIFICATIONS SET FORTH IN SECTION 12-58.5-106 AND TO OBTAIN A LICENSE FROM THE DIRECTOR.

(b) ONLY A PRIVATE INVESTIGATOR WHO OBTAINS A LICENSE PURSUANT TO SECTION 12-58.5-106 MAY PRESENT HIMSELF OR HERSELF AS OR USE THE TITLE OF A "LICENSED PRIVATE INVESTIGATOR", "PRIVATE INVESTIGATOR", "LICENSED PRIVATE DETECTIVE", OR "PRIVATE DETECTIVE".

(c) (I) IF A VOLUNTARY LICENSE IS ISSUED OR RENEWED ON OR AFTER NOVEMBER 1, 2013, BUT PRIOR TO THE REPEAL AND REENACTMENT OF THIS ARTICLE IN 2014, THE VOLUNTARY LICENSE EXPIRES ON THE EFFECTIVE DATE OF THIS PARAGRAPH (c), AND THE DIVISION SHALL REFUND THE PORTION OF THE VOLUNTARY LICENSE FEE PAID THAT IS ATTRIBUTABLE

TO THE LICENSE PERIOD FOLLOWING THE EFFECTIVE DATE OF THIS PARAGRAPH (c).

(II) UPON THE REPEAL AND REENACTMENT OF THIS ARTICLE PURSUANT TO SENATE BILL 14-133, ENACTED IN 2014, ANY MONEYS OR DEFICIT FUND BALANCE ATTRIBUTABLE TO THE VOLUNTARY LICENSURE PROGRAM AT THE TIME OF ITS REPEAL IS TRANSFERRED TO THE NEW MANDATORY LICENSURE PROGRAM CREATED IN THIS ARTICLE.

(III) THIS PARAGRAPH (c) IS REPEALED, EFFECTIVE DECEMBER 31, 2014.

(2) ANY PERSON WHO CONDUCTS PRIVATE INVESTIGATIONS OR PRESENTS HIMSELF OR HERSELF AS OR USES THE TITLE "PRIVATE INVESTIGATOR", "PRIVATE DETECTIVE", "LICENSED PRIVATE DETECTIVE", OR "LICENSED PRIVATE INVESTIGATOR" WITHOUT AN ACTIVE LICENSE ISSUED UNDER THIS ARTICLE COMMITS A CLASS 2 MISDEMEANOR AND SHALL BE PUNISHED AS PROVIDED IN SECTION 18-1.3-501, C.R.S., FOR THE FIRST OFFENSE AND, FOR THE SECOND OR ANY SUBSEQUENT OFFENSE, COMMITS A CLASS 1 MISDEMEANOR AND SHALL BE PUNISHED AS PROVIDED IN SECTION 18-1.3-501, C.R.S.

12-58.5-105. [Similar to 12-58.5-103 (6) (b)] Exemptions.

(1) THIS ARTICLE DOES NOT APPLY TO:

(a) A COLLECTION AGENCY OR CONSUMER REPORTING AGENCY, AS DEFINED IN SECTION 12-14-103 (2) AND (4.5), RESPECTIVELY;

(b) A PERSON CONDUCTING AN INVESTIGATION ON THE PERSON'S OWN BEHALF, OR AN EMPLOYEE OF AN EMPLOYER CONDUCTING AN INTERNAL INVESTIGATION ON BEHALF OF HIS OR HER EMPLOYER;

(c) AN ATTORNEY LICENSED TO PRACTICE LAW IN THIS STATE, AN EMPLOYEE OF A LICENSED ATTORNEY, OR A PERSON UNDER CONTRACT TO PERFORM PARALEGAL SERVICES FOR A LICENSED ATTORNEY;

(d) A CERTIFIED PEACE OFFICER OF A LAW ENFORCEMENT AGENCY OPERATING IN HIS OR HER OFFICIAL CAPACITY;

(e) (I) A CERTIFIED PUBLIC ACCOUNTANT CERTIFIED OR AUTHORIZED

TO PROVIDE ACCOUNTING SERVICES IN THE STATE PURSUANT TO ARTICLE 2 OF THIS TITLE;

(II) AN EMPLOYEE OF A CERTIFIED PUBLIC ACCOUNTANT;

(III) AN EMPLOYEE OR AFFILIATE OF AN ACCOUNTING FIRM REGISTERED PURSUANT TO SECTION 12-2-117; OR

(IV) A PERSON WHO CONDUCTS FORENSIC ACCOUNTING, FRAUD INVESTIGATIONS, OR OTHER RELATED ANALYSIS OF FINANCIAL TRANSACTIONS BASED ON INFORMATION THAT IS EITHER PUBLICLY AVAILABLE OR PROVIDED BY CLIENTS OR OTHER THIRD PARTIES AND WHO IS:

(A) AN ACCOUNTANT OR PUBLIC ACCOUNTANT WHO IS NOT REGULATED BY THE STATE;

(B) A CERTIFIED FRAUD EXAMINER; OR

(C) AN EMPLOYEE OR INDEPENDENT CONTRACTOR UNDER THE GUIDANCE OF AN ACCOUNTANT, PUBLIC ACCOUNTANT, OR CERTIFIED FRAUD EXAMINER;

(f) A PERSON WHO AGGREGATES PUBLIC RECORDS AND CHARGES A FEE FOR ACCESSING THE AGGREGATED PUBLIC RECORDS DATA;

(g) A PERSON EMPLOYED BY AN INSURANCE COMPANY WHO IS CONDUCTING CLAIMS ADJUSTMENT OR CLAIMS INVESTIGATION FOR THE PURPOSES OF AN INSURANCE CLAIM;

(h) AN INVESTIGATOR EMPLOYED OR CONTRACTED BY A PUBLIC OR GOVERNMENTAL AGENCY;

(i) A JOURNALIST OR GENEALOGIST;

(j) A PERSON SERVING PROCESS WITHIN THE STATE, PERFORMING HIS OR HER DUTIES IN COMPLIANCE WITH THE COLORADO OR FEDERAL RULES OF CIVIL PROCEDURE OR IN ACCORDANCE WITH APPLICABLE FOREIGN STATE COURT RULES OR LAWS PERTAINING TO SERVICE OF FOREIGN PROCESS WITHIN THIS STATE, OR PERFORMING ANY TASK ASSOCIATED WITH

EFFECTING SERVICE OF PROCESS, ALL OF WHICH INCLUDES INQUIRIES RELATED TO EFFECTING PROPER SERVICE OF PROCESS AND RESULTING SUPPORTING PROOFS, DECLARATIONS, AFFIDAVITS OF SERVICE, OR DECLARATIONS OR AFFIDAVITS OF DUE DILIGENCE TO SUPPORT ALTERNATIVE METHODS OF SERVICE OF PROCESS; EXCEPT THAT A PROCESS SERVER WHO PERFORMS PRIVATE INVESTIGATIONS OUTSIDE THE EFFORTS TO EFFECT SERVICE OF PROCESS IS NOT EXEMPT FROM THE LICENSING REQUIREMENTS OF THIS ARTICLE AND MUST OBTAIN A LICENSE UNDER THIS ARTICLE IN ORDER TO LAWFULLY PERFORM THOSE PRIVATE INVESTIGATIONS;

(k) A PERSON ATTEMPTING TO RECOVER A FUGITIVE WHEN THAT PERSON IS A BAIL BONDING AGENT OR CASH-BONDING AGENT QUALIFIED TO WRITE BAIL BONDS PURSUANT TO ARTICLE 23 OF TITLE 10, C.R.S., OR IS ACTING PURSUANT TO A CONTRACT WITH OR AT THE REQUEST OF A BAIL BONDING AGENT OR CASH-BONDING AGENT WHO IS SO QUALIFIED;

(l) AN OWNER, EMPLOYEE, OR INDEPENDENT CONTRACTOR OF AN AGENCY CONDUCTING AN INVESTIGATION TO DETERMINE THE ORIGIN AND CAUSE OF A FIRE OR EXPLOSION;

(m) AN OWNER, EMPLOYEE, OR INDEPENDENT CONTRACTOR OF AN AGENCY CONDUCTING AN INVESTIGATION FOR CAUSE ANALYSIS OR FAILURE ANALYSIS WHERE THE INVESTIGATION IS CONDUCTED BY AN ENGINEER LICENSED PURSUANT TO PART 1 OF ARTICLE 25 OF THIS TITLE ACTING WITHIN HIS OR HER AREA OF EXPERTISE AND WITHIN THE SCOPE OF THE PRACTICE OF ENGINEERING; OR

(n) ANY OTHER PERSON LICENSED UNDER THIS TITLE WHO IS PRACTICING WITHIN THE SCOPE OF HIS OR HER PRACTICE AS DEFINED IN THIS TITLE.

12-58.5-106. [Similar to 12-58.5-105] Private investigator licenses - qualifications - fees - renewal - rules. (1) A PRIVATE INVESTIGATOR APPLYING FOR A LICENSE PURSUANT TO THIS SECTION MUST SATISFY THE REQUIREMENTS OF THE PARTICULAR LICENSE FOR WHICH APPLICATION IS MADE. THE DIRECTOR MAY ISSUE THE FOLLOWING TYPES OF LICENSES TO APPLICANTS WHO, UPON APPLICATION IN THE FORM AND MANNER DETERMINED BY THE DIRECTOR, PAYMENT OF THE REQUIRED FEE, AND SATISFACTION OF THE REQUIREMENTS OF SUBSECTION (2) OF THIS

SECTION, PROVIDE EVIDENCE SATISFACTORY TO THE DIRECTOR THAT THE APPLICANT SATISFIES THE QUALIFICATIONS FOR THE PARTICULAR LICENSE AS FOLLOWS:

(a) **Level I private investigator license.** AN APPLICANT FOR A LEVEL I PRIVATE INVESTIGATOR LICENSE MUST:

(I) BE AT LEAST TWENTY-ONE YEARS OF AGE;

(II) BE LAWFULLY PRESENT IN THE UNITED STATES; AND

(III) DEMONSTRATE KNOWLEDGE AND UNDERSTANDING OF THE LAWS AND RULES AFFECTING THE ETHICS AND ACTIVITIES OF PRIVATE INVESTIGATORS IN THIS STATE BY PASSING A JURISPRUDENCE EXAMINATION DEVELOPED AND APPROVED BY THE DIRECTOR.

(b) **Level II private investigator license.** AN APPLICANT FOR A LEVEL II PRIVATE INVESTIGATOR LICENSE MUST:

(I) SATISFY THE REQUIREMENTS FOR A LEVEL I PRIVATE INVESTIGATOR LICENSE; AND

(II) HAVE AN AMOUNT OF VERIFIABLE, APPLICABLE EXPERIENCE AS A PRIVATE INVESTIGATOR OR EQUIVALENT EXPERIENCE WITH A LOCAL, STATE, OR FEDERAL LAW ENFORCEMENT AGENCY, MILITARY POLICE, THE FEDERAL BUREAU OF INVESTIGATION, OR OTHER EQUIVALENT EXPERIENCE. THE DIRECTOR SHALL DETERMINE, BY RULE, THE AMOUNT AND TYPE OF EXPERIENCE, WHICH MAY INCLUDE POSTSECONDARY EDUCATION, COMPLETION OF APPROVED CERTIFICATE PROGRAMS, OR SUCH OTHER EXPERIENCE THE DIRECTOR DEEMS APPROPRIATE, AN APPLICANT MUST HAVE TO SATISFY THE REQUIREMENTS OF THIS SECTION.

(2) IN ADDITION TO THE REQUIREMENTS OF SUBSECTION (1) OF THIS SECTION, EACH APPLICANT FOR A LEVEL I OR LEVEL II PRIVATE INVESTIGATOR LICENSE MUST HAVE HIS OR HER FINGERPRINTS TAKEN BY A LOCAL LAW ENFORCEMENT AGENCY FOR THE PURPOSE OF OBTAINING A FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK. THE APPLICANT IS REQUIRED TO SUBMIT PAYMENT BY CERTIFIED CHECK OR MONEY ORDER FOR THE FINGERPRINTS AND FOR THE ACTUAL COSTS OF THE RECORD CHECK AT THE TIME THE FINGERPRINTS ARE SUBMITTED TO THE COLORADO BUREAU

OF INVESTIGATION. UPON RECEIPT OF FINGERPRINTS AND RECEIPT OF THE PAYMENT FOR COSTS, THE COLORADO BUREAU OF INVESTIGATION SHALL CONDUCT A STATE AND NATIONAL FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK UTILIZING RECORDS OF THE COLORADO BUREAU OF INVESTIGATION AND THE FEDERAL BUREAU OF INVESTIGATION AND SHALL FORWARD THE RESULTS OF THE CRIMINAL HISTORY RECORD CHECK TO THE DIRECTOR.

(3) **[Similar to 12-58.5-105 (4)]** AN APPLICANT FOR LICENSURE UNDER THIS SECTION SHALL PAY LICENSE, RENEWAL, AND REINSTATEMENT FEES ESTABLISHED BY THE DIRECTOR PURSUANT TO SECTION 24-34-105, C.R.S. A LICENSEE MUST RENEW HIS OR HER LICENSE IN ACCORDANCE WITH A SCHEDULE ESTABLISHED BY THE DIRECTOR PURSUANT TO SECTION 24-34-102 (8), C.R.S. IF A LICENSEE FAILS TO RENEW HIS OR HER LICENSE PURSUANT TO THE SCHEDULE ESTABLISHED BY THE DIRECTOR, THE LICENSE EXPIRES, AND THE PERSON SHALL NOT CONDUCT PRIVATE INVESTIGATIONS IN THIS STATE UNTIL THE PERSON PAYS THE APPROPRIATE FEES TO REINSTATE THE LICENSE AND THE DIRECTOR REINSTATES THE LICENSE. A PERSON WHOSE LICENSE EXPIRES AND WHO CONTINUES TO DO BUSINESS AS A PRIVATE INVESTIGATOR IS SUBJECT TO THE PENALTIES PROVIDED IN THIS ARTICLE AND SECTION 24-34-102 (8), C.R.S.

12-58.5-107. Surety bond required - rules. A LICENSEE SHALL NOT ENGAGE IN PRIVATE INVESTIGATION ACTIVITIES UNLESS THE LICENSEE POSTS AND MAINTAINS, OR IS COVERED BY, A SURETY BOND IN AN AMOUNT DETERMINED BY THE DIRECTOR BY RULE.

12-58.5-108. [Similar to 12-58.5-106] Director's powers and duties - consult with stakeholders- rules. (1) THE DIRECTOR MAY CONSULT WITH PRIVATE INVESTIGATORS, LAW ENFORCEMENT, CONSUMER GROUPS, VICTIM ADVOCACY GROUPS, CIVIL LIBERTIES GROUPS, AND OTHER STAKEHOLDERS TO OBTAIN RECOMMENDATIONS AND FEEDBACK CONCERNING:

(a) THE REGULATION OF PRIVATE INVESTIGATORS;

(b) PRIVACY LAWS AND ISSUES, NEW OR CHANGING TECHNOLOGY, AND THE IMPACT OF NEW OR CHANGING TECHNOLOGY ON PRIVACY; AND

(c) ANY CONTINUING EDUCATION THAT MAY BE NECESSARY TO

ENSURE PRIVATE INVESTIGATORS MAINTAIN KNOWLEDGE AND UNDERSTANDING OF LAWS AND RULES AFFECTING THE PRACTICE, PARTICULARLY THOSE CONCERNING PRIVACY ISSUES AND NEW OR CHANGING TECHNOLOGY. IF A STAKEHOLDER GROUP RECOMMENDS THAT CONTINUING EDUCATION REQUIREMENTS BE IMPOSED, NOTHING IN THIS PARAGRAPH (c) ABROGATES THE REQUIREMENTS OF SECTION 24-34-901, C.R.S., AND THE DIRECTOR IS NOT AUTHORIZED TO IMPOSE, BY RULE OR OTHERWISE, ANY CONTINUING EDUCATION REQUIREMENTS ABSENT AN ENACTMENT OF A BILL IMPOSING CONTINUING EDUCATION REQUIREMENTS OR AUTHORIZING THE DIRECTOR TO ESTABLISH CONTINUING EDUCATION REQUIREMENTS.

(2) IN ADDITION TO ALL OTHER POWERS AND DUTIES CONFERRED OR IMPOSED UPON THE DIRECTOR BY THIS ARTICLE OR BY ANY OTHER LAW, THE DIRECTOR MAY:

(a) PROMULGATE RULES PURSUANT TO SECTION 24-4-103, C.R.S., TO IMPLEMENT THIS ARTICLE, INCLUDING RULES TO:

(I) ESTABLISH THE FORM AND MANNER FOR APPLYING FOR A LICENSE UNDER THIS ARTICLE;

(II) SPECIFY THE REQUIREMENTS FOR SATISFYING THE EXPERIENCE COMPONENT FOR OBTAINING A LEVEL II PRIVATE INVESTIGATOR LICENSE PURSUANT SECTION 12-58.5-106 (1) (b);

(III) DEFINE GENERALLY ACCEPTED STANDARD OF THE PRACTICE OF PRIVATE INVESTIGATIONS;

(IV) SET THE AMOUNT OF THE SURETY BOND REQUIRED BY SECTION 12-58.5-107; AND

(V) ADDRESS ANY OTHER MATTERS DETERMINED NECESSARY BY THE DIRECTOR TO IMPLEMENT THIS ARTICLE;

(b) DEVELOP AND CONDUCT OR CONTRACT FOR EXAMINATIONS AS REQUIRED BY THIS ARTICLE;

(c) REVIEW AND GRANT OR DENY APPLICATIONS FOR NEW OR RENEWAL LICENSES AS PROVIDED IN THIS ARTICLE; AND

(d) ESTABLISH FEES FOR THE ISSUANCE OF A NEW LICENSE AND FOR EACH LICENSE RENEWAL PURSUANT TO SECTION 24-34-105, C.R.S.

12-58.5-109. [Similar to 12-57.5-107] Disciplinary actions - grounds for discipline - rules - cease-and-desist orders. (1) THE DIRECTOR MAY DENY, SUSPEND, OR REVOKE A LICENSE, PLACE AN APPLICANT OR LICENSEE ON PROBATION, OR ISSUE A LETTER OF ADMONITION TO AN APPLICANT OR LICENSEE IF THE APPLICANT OR LICENSEE:

(a) VIOLATES ANY ORDER OF THE DIRECTOR, ANY PROVISION OF THIS ARTICLE, OR ANY RULE ADOPTED UNDER THIS ARTICLE;

(b) FAILS TO MEET THE REQUIREMENTS OF SECTION 12-58.5-106 OR USES FRAUD, MISREPRESENTATION, OR DECEIT IN APPLYING FOR OR ATTEMPTING TO APPLY FOR A LICENSE;

(c) IS CONVICTED OF OR HAS ENTERED A PLEA OF GUILTY OR NOLO CONTENDERE TO A FELONY; TO AN OFFENSE, THE UNDERLYING FACTUAL BASIS OF WHICH HAS BEEN FOUND BY THE COURT TO INVOLVE UNLAWFUL SEXUAL BEHAVIOR, DOMESTIC VIOLENCE, AS DEFINED IN SECTION 18-6-800.3 (1), C.R.S., OR STALKING, AS DEFINED IN SECTION 18-3-602, C.R.S.; OR TO VIOLATION OF A PROTECTION ORDER, AS DEFINED IN SECTION 18-6-803.5, C.R.S. IN CONSIDERING THE DISCIPLINARY ACTION, THE DIRECTOR IS GOVERNED BY SECTION 24-5-101, C.R.S., IN CONSIDERING THE CONVICTION OR PLEA.

(d) HAS FAILED TO REPORT TO THE DIRECTOR THE CONVICTION OF OR PLEA TO A CRIME SPECIFIED IN PARAGRAPH (c) OF THIS SUBSECTION (1);

(e) ADVERTISES OR PRESENTS HIMSELF OR HERSELF AS A LICENSED PRIVATE INVESTIGATOR WITHOUT HOLDING AN ACTIVE LICENSE;

(f) HAS BEEN SUBJECT TO DISCIPLINE RELATED TO THE PRACTICE OF PRIVATE INVESTIGATIONS IN ANOTHER JURISDICTION. EVIDENCE OF DISCIPLINARY ACTION IN ANOTHER JURISDICTION IS PRIMA FACIE EVIDENCE FOR DENIAL OF A LICENSE OR OTHER DISCIPLINARY ACTION IF THE VIOLATION WOULD BE GROUNDS FOR DISCIPLINARY ACTION IN THIS STATE.

(g) COMMITS AN ACT OR OMISSION THAT FAILS TO MEET GENERALLY ACCEPTED STANDARDS OF THE PRACTICE OF PRIVATE INVESTIGATIONS; OR

(h) FAILS TO COMPLY WITH SURETY BOND REQUIREMENTS AS SPECIFIED IN SECTION 12-58.5-107.

(2) THE DIRECTOR MAY ADOPT RULES ESTABLISHING FINES THAT HE OR SHE MAY IMPOSE ON A LICENSEE. THE RULES MUST INCLUDE A GRADUATED FINE STRUCTURE, WITH A MAXIMUM ALLOWABLE FINE OF NOT MORE THAN THREE THOUSAND DOLLARS PER VIOLATION. THE DIRECTOR SHALL TRANSMIT ANY FINES HE OR SHE COLLECTS FROM A LICENSEE TO THE STATE TREASURER FOR DEPOSIT IN THE GENERAL FUND.

(3) THE DIRECTOR NEED NOT FIND THAT THE ACTIONS THAT ARE GROUNDS FOR DISCIPLINE WERE WILLFUL BUT MAY CONSIDER WHETHER THE ACTIONS WERE WILLFUL WHEN DETERMINING THE NATURE OF DISCIPLINARY SANCTIONS TO IMPOSE.

(4)(a) THE DIRECTOR MAY COMMENCE A PROCEEDING TO DISCIPLINE A LICENSEE WHEN THE DIRECTOR HAS REASONABLE GROUNDS TO BELIEVE THAT THE LICENSEE HAS COMMITTED AN ACT OR OMISSION SPECIFIED IN THIS SECTION.

(b) IN ANY PROCEEDING HELD UNDER THIS SECTION, THE DIRECTOR MAY ACCEPT AS EVIDENCE OF GROUNDS FOR DISCIPLINARY ACTION ANY DISCIPLINARY ACTION TAKEN AGAINST A LICENSEE IN ANOTHER JURISDICTION IF THE VIOLATION THAT PROMPTED THE DISCIPLINARY ACTION IN THE OTHER JURISDICTION WOULD BE GROUNDS FOR DISCIPLINARY ACTION UNDER THIS ARTICLE.

(5) THE DIRECTOR SHALL CONDUCT DISCIPLINARY PROCEEDINGS IN ACCORDANCE WITH ARTICLE 4 OF TITLE 24, C.R.S. THE DIRECTOR OR AN ADMINISTRATIVE LAW JUDGE APPOINTED BY THE DIRECTOR PURSUANT TO PARAGRAPH (c) OF SUBSECTION (6) OF THIS SECTION SHALL CONDUCT THE HEARING AND OPPORTUNITY FOR REVIEW PURSUANT TO THAT ARTICLE. THE DIRECTOR MAY EXERCISE ALL POWERS AND DUTIES CONFERRED BY THIS ARTICLE DURING THE DISCIPLINARY PROCEEDINGS.

(6)(a) THE DIRECTOR MAY REQUEST THAT THE ATTORNEY GENERAL SEEK AN INJUNCTION IN ANY COURT OF COMPETENT JURISDICTION TO ENJOIN A PERSON FROM COMMITTING AN ACT PROHIBITED BY THIS ARTICLE. WHEN SEEKING AN INJUNCTION UNDER THIS PARAGRAPH (a), THE ATTORNEY GENERAL IS NOT REQUIRED TO ALLEGE OR PROVE THE INADEQUACY OF ANY

REMEDY AT LAW OR THAT SUBSTANTIAL OR IRREPARABLE DAMAGE IS LIKELY TO RESULT FROM A CONTINUED VIOLATION OF THIS ARTICLE.

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

(II) IN ANY HEARING OR INVESTIGATION INSTITUTED PURSUANT TO THIS SECTION, THE DIRECTOR OR AN ADMINISTRATIVE LAW JUDGE APPOINTED PURSUANT TO PARAGRAPH (c) OF THIS SUBSECTION (6) MAY ADMINISTER OATHS, TAKE AFFIRMATIONS OF WITNESSES, AND ISSUE SUBPOENAS COMPELLING THE ATTENDANCE OF WITNESSES AND THE PRODUCTION OF ALL RELEVANT RECORDS, PAPERS, BOOKS, DOCUMENTARY EVIDENCE, AND MATERIALS IN ANY HEARING, INVESTIGATION, ACCUSATION, OR OTHER MATTER BEFORE THE DIRECTOR OR AN ADMINISTRATIVE LAW JUDGE.

(III) UPON FAILURE OF ANY WITNESS OR LICENSEE TO COMPLY WITH A SUBPOENA OR PROCESS, THE DISTRICT COURT OF THE COUNTY IN WHICH THE SUBPOENAED PERSON OR LICENSEE RESIDES OR CONDUCTS BUSINESS, UPON APPLICATION BY THE DIRECTOR WITH NOTICE TO THE SUBPOENAED PERSON OR LICENSEE, MAY ISSUE TO THE PERSON OR LICENSEE AN ORDER REQUIRING THE PERSON OR LICENSEE TO APPEAR BEFORE THE DIRECTOR; TO PRODUCE THE RELEVANT PAPERS, BOOKS, RECORDS, DOCUMENTARY EVIDENCE, OR MATERIALS IF SO ORDERED; OR TO GIVE EVIDENCE TOUCHING THE MATTER UNDER INVESTIGATION OR IN QUESTION. IF THE PERSON OR LICENSEE FAILS TO OBEY THE ORDER OF THE COURT, THE COURT MAY HOLD THE PERSON OR LICENSEE IN CONTEMPT OF COURT.

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

(7) (a) THE DIRECTOR, THE DIRECTOR'S STAFF, A PERSON ACTING AS A WITNESS OR CONSULTANT TO THE DIRECTOR, A WITNESS TESTIFYING IN A PROCEEDING AUTHORIZED UNDER THIS ARTICLE, OR A PERSON WHO LODGES A COMPLAINT PURSUANT TO THIS ARTICLE IS IMMUNE FROM LIABILITY IN A CIVIL ACTION BROUGHT AGAINST HIM OR HER FOR ACTS OCCURRING WHILE ACTING IN HIS OR HER CAPACITY AS DIRECTOR, STAFF, CONSULTANT, OR

WITNESS, RESPECTIVELY, IF THE INDIVIDUAL WAS ACTING IN GOOD FAITH WITHIN THE SCOPE OF HIS OR HER RESPECTIVE CAPACITY, MADE A REASONABLE EFFORT TO OBTAIN THE FACTS OF THE MATTER AS TO WHICH HE OR SHE ACTED, AND ACTED IN THE REASONABLE BELIEF THAT THE ACTION HE OR SHE TOOK WAS WARRANTED BY THE FACTS.

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

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

(9) WHEN A COMPLAINT OR AN INVESTIGATION DISCLOSES AN INSTANCE OF MISCONDUCT THAT, IN THE OPINION OF THE DIRECTOR, WARRANTS FORMAL ACTION, THE DIRECTOR SHALL NOT RESOLVE THE COMPLAINT BY A DEFERRED SETTLEMENT, ACTION, JUDGMENT, OR PROSECUTION.

(10) (a) IF IT APPEARS TO THE DIRECTOR, BASED UPON CREDIBLE EVIDENCE AS PRESENTED IN A WRITTEN COMPLAINT, THAT A LICENSEE IS ACTING IN A MANNER THAT IS AN IMMINENT THREAT TO THE HEALTH AND SAFETY OF THE PUBLIC, OR IF A PERSON IS CONDUCTING PRIVATE INVESTIGATIONS OR PRESENTING HIMSELF OR HERSELF AS OR IS USING THE TITLE "PRIVATE INVESTIGATOR", "PRIVATE DETECTIVE", OR "LICENSED PRIVATE INVESTIGATOR" WITHOUT HAVING OBTAINED A LICENSE, THE DIRECTOR MAY ISSUE AN ORDER TO CEASE AND DESIST THE ACTIVITY. THE DIRECTOR SHALL SET FORTH IN THE ORDER THE STATUTES AND RULES ALLEGED TO HAVE BEEN VIOLATED, THE FACTS ALLEGED TO HAVE CONSTITUTED THE VIOLATION, AND THE REQUIREMENT THAT ALL UNLAWFUL ACTS OR UNLICENSED PRACTICES IMMEDIATELY CEASE.

(b) WITHIN TEN DAYS AFTER SERVICE OF THE ORDER TO CEASE AND DESIST PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (10), THE RESPONDENT MAY REQUEST A HEARING ON THE QUESTION OF WHETHER

ACTS OR PRACTICES IN VIOLATION OF THIS ARTICLE HAVE OCCURRED. THE DIRECTOR OR ADMINISTRATIVE LAW JUDGE, AS APPLICABLE, SHALL CONDUCT THE HEARING PURSUANT TO SECTIONS 24-4-104 AND 24-4-105, C.R.S.

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

(b) THE DIRECTOR SHALL PROMPTLY NOTIFY THE PERSON AGAINST WHOM AN ORDER TO SHOW CAUSE HAS BEEN ISSUED PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (11) OF THE ISSUANCE OF THE ORDER AND SHALL INCLUDE IN THE NOTICE A COPY OF THE ORDER, THE FACTUAL AND LEGAL BASIS FOR THE ORDER, AND THE DATE SET BY THE DIRECTOR FOR A HEARING ON THE ORDER. THE DIRECTOR MAY SERVE THE NOTICE ON THE PERSON AGAINST WHOM THE ORDER HAS BEEN ISSUED BY PERSONAL SERVICE, BY FIRST-CLASS, POSTAGE-PREPAID UNITED STATES MAIL, OR IN ANOTHER MANNER AS MAY BE PRACTICABLE. PERSONAL SERVICE OR MAILING OF AN ORDER OR DOCUMENT PURSUANT TO THIS PARAGRAPH (b) CONSTITUTES NOTICE OF THE ORDER TO THE PERSON.

(c) (I) THE DIRECTOR SHALL HOLD THE HEARING ON AN ORDER TO SHOW CAUSE NO SOONER THAN TEN AND NO LATER THAN FORTY-FIVE CALENDAR DAYS AFTER THE DATE OF TRANSMISSION OR SERVICE OF THE NOTIFICATION BY THE DIRECTOR AS PROVIDED IN PARAGRAPH (b) OF THIS SUBSECTION (11). THE DIRECTOR MAY CONTINUE THE HEARING BY AGREEMENT OF ALL PARTIES BASED UPON THE COMPLEXITY OF THE MATTER, NUMBER OF PARTIES TO THE MATTER, AND LEGAL ISSUES PRESENTED IN THE MATTER, BUT IN NO EVENT SHALL THE DIRECTOR HOLD THE HEARING LATER THAN SIXTY CALENDAR DAYS AFTER THE DATE OF TRANSMISSION OR SERVICE OF THE NOTIFICATION.

(II) IF A PERSON AGAINST WHOM AN ORDER TO SHOW CAUSE HAS BEEN ISSUED PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (11) DOES NOT APPEAR AT THE HEARING, THE DIRECTOR MAY PRESENT EVIDENCE THAT NOTIFICATION WAS PROPERLY SENT OR SERVED ON THE PERSON PURSUANT

TO PARAGRAPH (b) OF THIS SUBSECTION (11) AND SUCH OTHER EVIDENCE RELATED TO THE MATTER AS THE DIRECTOR DEEMS APPROPRIATE. THE DIRECTOR MUST ISSUE THE ORDER WITHIN TEN DAYS AFTER THE DIRECTOR'S DETERMINATION RELATED TO REASONABLE ATTEMPTS TO NOTIFY THE RESPONDENT, AND THE ORDER BECOMES FINAL AS TO THAT PERSON BY OPERATION OF LAW. THE HEARING MUST BE CONDUCTED PURSUANT TO SECTIONS 24-4-104 AND 24-4-105, C.R.S.

(III) IF THE DIRECTOR REASONABLY FINDS THAT THE PERSON AGAINST WHOM THE ORDER TO SHOW CAUSE WAS ISSUED IS ACTING OR HAS ACTED WITHOUT THE REQUIRED LICENSE OR HAS OR IS ABOUT TO ENGAGE IN ACTS OR PRACTICES CONSTITUTING VIOLATIONS OF THIS ARTICLE, THE DIRECTOR MAY ISSUE A FINAL CEASE-AND-DESIST ORDER DIRECTING THE PERSON TO CEASE AND DESIST FROM FURTHER UNLAWFUL ACTS OR UNLICENSED PRACTICES.

(IV) THE DIRECTOR SHALL PROVIDE NOTICE, IN THE MANNER SET FORTH IN PARAGRAPH (b) OF THIS SUBSECTION (11), OF THE FINAL CEASE-AND-DESIST ORDER WITHIN TEN CALENDAR DAYS AFTER THE HEARING CONDUCTED PURSUANT TO THIS PARAGRAPH (c) TO EACH PERSON AGAINST WHOM THE FINAL ORDER HAS BEEN ISSUED. THE FINAL ORDER ISSUED PURSUANT TO SUBPARAGRAPH (III) OF THIS PARAGRAPH (c) IS EFFECTIVE WHEN ISSUED AND IS A FINAL ORDER FOR PURPOSES OF JUDICIAL REVIEW.

(12) IF IT APPEARS TO THE DIRECTOR, BASED UPON CREDIBLE EVIDENCE PRESENTED TO THE DIRECTOR, THAT A PERSON HAS ENGAGED OR IS ABOUT TO ENGAGE IN AN ACT OR PRACTICE CONSTITUTING A VIOLATION OF THIS ARTICLE, A RULE PROMULGATED PURSUANT TO THIS ARTICLE, OR AN ORDER ISSUED PURSUANT TO THIS ARTICLE, OR ANY OTHER ACT OR PRACTICE CONSTITUTING GROUNDS FOR ADMINISTRATIVE SANCTION PURSUANT TO THIS ARTICLE, THE DIRECTOR MAY ENTER INTO A STIPULATION WITH THE PERSON.

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

VIOLATION OF THE FINAL ORDER.

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

(15) (a) WHEN A COMPLAINT OR INVESTIGATION DISCLOSES AN INSTANCE OF MISCONDUCT THAT, IN THE OPINION OF THE DIRECTOR, DOES NOT WARRANT FORMAL ACTION BY THE DIRECTOR BUT THAT SHOULD NOT BE DISMISSED AS BEING WITHOUT MERIT, THE DIRECTOR MAY ISSUE AND SEND THE LICENSEE A LETTER OF ADMONITION.

(b) WHEN THE DIRECTOR SENDS A LETTER OF ADMONITION TO A LICENSEE, THE DIRECTOR SHALL ADVISE THE LICENSEE THAT HE OR SHE HAS THE RIGHT TO REQUEST IN WRITING, WITHIN TWENTY DAYS AFTER RECEIPT OF THE LETTER, THAT FORMAL DISCIPLINARY PROCEEDINGS BE INITIATED TO ADJUDICATE THE PROPRIETY OF THE CONDUCT UPON WHICH THE LETTER OF ADMONITION IS BASED.

(c) IF THE LICENSEE TIMELY REQUESTS ADJUDICATION, THE DIRECTOR SHALL VACATE THE LETTER OF ADMONITION AND PROCESS THE MATTER BY MEANS OF FORMAL DISCIPLINARY PROCEEDINGS.

(16) WHEN A COMPLAINT OR INVESTIGATION DISCLOSES AN INSTANCE OF CONDUCT THAT DOES NOT WARRANT FORMAL ACTION BY THE DIRECTOR AND, IN THE OPINION OF THE DIRECTOR, THE COMPLAINT SHOULD BE DISMISSED, BUT THE DIRECTOR HAS NOTICED INDICATIONS OF POSSIBLE ERRANT CONDUCT BY THE LICENSEE THAT COULD LEAD TO SERIOUS CONSEQUENCES IF NOT CORRECTED, THE DIRECTOR MAY SEND THE LICENSEE A CONFIDENTIAL LETTER OF CONCERN.

12-58.5-110. [Similar to 12-58.5-108] Revocation. A PERSON WHOSE LICENSE IS REVOKED OR WHO SURRENDERS A LICENSE TO AVOID DISCIPLINE IS INELIGIBLE TO APPLY FOR A LICENSE UNDER THIS ARTICLE UNTIL AT LEAST TWO YEARS AFTER THE DATE OF REVOCATION OR SURRENDER OF THE LICENSE. THE DIRECTOR SHALL TREAT A SUBSEQUENT APPLICATION FOR LICENSURE FROM A PERSON WHOSE LICENSE WAS REVOKED OR SURRENDERED AS AN APPLICATION FOR A NEW LICENSE UNDER THIS ARTICLE.

12-58.5-111. [Similar to 12-58.5-109] Fees - cash fund. THE DIVISION SHALL TRANSMIT ALL FEES COLLECTED PURSUANT TO THIS ARTICLE TO THE STATE TREASURER, WHO SHALL CREDIT THE FEES TO THE DIVISION OF PROFESSIONS AND OCCUPATIONS CASH FUND CREATED IN SECTION 24-34-105 (2) (b), C.R.S. THE GENERAL ASSEMBLY SHALL MAKE ANNUAL APPROPRIATIONS FROM THE DIVISION OF PROFESSIONS AND OCCUPATIONS CASH FUND FOR EXPENDITURES OF THE DIVISION INCURRED IN THE PERFORMANCE OF ITS DUTIES UNDER THIS ARTICLE.

12-58.5-112. [Similar to 12-58.5-108] Repeal of article - review of functions. THIS ARTICLE IS REPEALED, EFFECTIVE SEPTEMBER 1, 2020. PRIOR TO THE REPEAL, THE DEPARTMENT OF REGULATORY AGENCIES SHALL REVIEW THE POWERS, DUTIES, AND FUNCTIONS OF THE DIRECTOR REGARDING THE LICENSURE OF PRIVATE INVESTIGATORS UNDER THIS ARTICLE AS PROVIDED IN SECTION 24-34-104, C.R.S.

SECTION 2. In Colorado Revised Statutes, 24-34-104, **repeal** (47.5) (i); and **add** (51.5) (h) as follows:

24-34-104. General assembly review of regulatory agencies and functions for termination, continuation, or reestablishment. (47.5) The following agencies, functions, or both, shall terminate on September 1, 2016:

(i) ~~The voluntary licensing of private investigators by the director of the division of professions and occupations in accordance with article 58.5 of title 12, C.R.S.~~

(51.5) The following agencies, functions, or both, terminate on September 1, 2020:

(h) ~~THE LICENSING OF PRIVATE INVESTIGATORS BY THE DIRECTOR OF THE DIVISION OF PROFESSIONS AND OCCUPATIONS IN ACCORDANCE WITH ARTICLE 58.5 OF TITLE 12, C.R.S.~~

SECTION 3. In Colorado Revised Statutes, 24-72-204, **amend** (7) (b) (VIII) as follows:

24-72-204. Allowance or denial of inspection - grounds - procedure - appeal - definitions. (7) (b) Notwithstanding paragraph (a)

of this subsection (7), only upon obtaining a completed requestor release form under section 42-1-206 (1) (b), C.R.S., the department may allow inspection of the information referred to in paragraph (a) of this subsection (7) for the following uses:

(VIII) For use by any private investigator licensed pursuant to ~~section 12-58.5-105~~ SECTION 12-58.5-106, C.R.S., licensed private investigative agency, or licensed security service for any purpose permitted under this paragraph (b);

SECTION 4. Appropriation. (1) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the division of professions and occupations cash fund created in section 24-34-105 (2) (b) (I), Colorado Revised Statutes, not otherwise appropriated, to the department of regulatory agencies, for the fiscal year beginning July 1, 2014, the sum of \$28,300 and 0.3 FTE, or so much thereof as may be necessary, to be allocated for the implementation of this act as follows:

(a) \$19,243 and 0.3 FTE to the division of professions and occupations for personal services; and

(b) \$9,057 to the executive director's office and administrative services for the purchase of legal services.

(2) In addition to any other appropriation, there is hereby appropriated to the department of law, for the fiscal year beginning July 1, 2014, the sum of \$9,057, or so much thereof as may be necessary, for the provision of legal services for the department of regulatory agencies related to the implementation of this act. Said sum is from reappropriated funds received from the department of regulatory agencies out of the appropriation made in paragraph (b) of subsection (1) of this section.

(3) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the Colorado bureau of investigation identification unit fund created in section 24-33.5-426, Colorado Revised Statutes, not otherwise appropriated, to the department of public safety, for allocation to the Colorado bureau of investigation, for the Colorado crime information center, identification, for the fiscal year beginning July 1, 2014, the sum of \$10,544, or so much thereof as may be necessary for

fingerprint-based criminal history checks related to the implementation of this act.

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

Morgan Carroll
PRESIDENT OF
THE SENATE

Mark Ferrandino
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Cindi L. Markwell
SECRETARY OF
THE SENATE

Marilyn Eddins
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

APPROVED _____

John W. Hickenlooper
GOVERNOR OF THE STATE OF COLORADO