

First Regular Session
Seventy-first General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 17-0300.01 Jery Payne x2157

SENATE BILL 17-236

SENATE SPONSORSHIP

Coram,

HOUSE SPONSORSHIP

Weissman,

Senate Committees

Judiciary

House Committees

A BILL FOR AN ACT

101 CONCERNING THE CONTINUATION OF THE REGULATION OF BAIL
102 BONDING AGENTS REGULATED BY ARTICLE 23 OF TITLE 10,
103 COLORADO REVISED STATUTES, BY THE DIVISION OF INSURANCE,
104 AND, IN CONNECTION THEREWITH, IMPLEMENTING THE SUNSET
105 REVIEW RECOMMENDATIONS OF THE DEPARTMENT OF
106 REGULATORY AGENCIES.

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://leg.colorado.gov/>.)

Sunset Process - Senate Judiciary Committee. Sections 1 and

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.

2 of the bill continue the regulation of professional cash-bail agents and cash-bonding agents until September 1, 2026.

Section 3 authorizes the commissioner of insurance to release a lien in real estate after 3 years if the bail bonding agent does not release the lien within 3 years. The property owner must petition the commissioner for the release.

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

2 **SECTION 1.** In Colorado Revised Statutes, **amend** 10-23-110 as
3 follows:

4 **10-23-110. Repeal - review of functions.** This ~~article~~ ARTICLE 23
5 is repealed, effective September 1, 2017. ~~Prior to the~~ 2026. BEFORE ITS
6 repeal, the ~~licensing~~ functions of the commissioner and the division shall
7 be reviewed as ~~provided for~~ in ACCORDANCE WITH section 24-34-104.
8 C.R.S.

9 **SECTION 2.** In Colorado Revised Statutes, 24-34-104, **amend**
10 (27)(a) introductory portion; **repeal** (13)(a)(III); and **add** (27)(a)(V) as
11 follows:

12 **24-34-104. General assembly review of regulatory agencies**
13 **and functions for repeal, continuation, or reestablishment - legislative**
14 **declaration - repeal.** (13) (a) The following agencies, functions, or both,
15 will repeal on September 1, 2017:

16 (III) ~~The licensing of professional cash-bail agents and~~
17 ~~cash-bonding agents in accordance with article 23 of title 10, C.R.S.;~~

18 (27) (a) The following agencies, functions, or both, ~~will~~ ARE
19 SCHEDULED FOR repeal on September 1, 2026:

20 (V) THE REGULATION OF PROFESSIONAL CASH-BAIL AGENTS AND
21 CASH-BONDING AGENTS IN ACCORDANCE WITH ARTICLE 23 OF TITLE 10.

22 **SECTION 3.** In Colorado Revised Statutes, 10-23-108, **amend**

1 (3.5)(d) as follows:

2 **10-23-108. Bail bond documents - requirements - rules.**

3 (3.5) (d) (I) The bonding agent shall deliver to the property owner a fully
4 executed and notarized reconveyance of title, a certificate of discharge,
5 or a full release of any lien against real property that secures performance
6 of the conditions of a bail bond within thirty-five days after receiving
7 notice that the time for appealing an order that exonerated the bail bond
8 has expired. The bonding agent shall also deliver to the property owner
9 the original cancelled note, as evidence that the indebtedness secured by
10 any lien instrument has been paid or that the purposes of ~~said~~ THE
11 instrument have been fully satisfied, and the original deed of trust,
12 security agreement, or other instrument that secured the bail bond
13 obligation. If a timely notice of appeal is filed, the thirty-five-day period
14 ~~shall begin~~ BEGINS on the day the appellate court's affirmation of the
15 order becomes final.

16 (II) If the bonding agent fails to comply with the requirements of
17 this ~~paragraph (d)~~ SUBSECTION (3.5)(d), the property owner may petition
18 the district court to issue an order directing the clerk of ~~such~~ THE court to
19 execute a full reconveyance of title, a certificate of discharge, or a full
20 release of any lien against real property created to secure performance of
21 the conditions of the bail bond. TO BE ACCEPTED BY THE COURT, the
22 petition ~~shall~~ MUST be verified and ~~shall~~ allege facts showing that the
23 bonding agent has failed to comply with the provisions of this ~~paragraph~~
24 ~~(d)~~ SUBSECTION (3.5)(d).

25 (III) IF THE BONDING AGENT FAILS TO COMPLY WITH THE
26 REQUIREMENTS OF THIS SUBSECTION (3.5)(d), THE PROPERTY OWNER MAY
27 PETITION THE COMMISSIONER TO FILE A FULL RELEASE OF ANY LIEN

1 AGAINST REAL PROPERTY CREATED TO SECURE PERFORMANCE OF THE
2 CONDITIONS OF THE BAIL BOND. TO BE ACCEPTED BY THE COMMISSIONER,
3 THE PETITION MUST BE VERIFIED AND ALLEGE FACTS SHOWING THAT THE
4 BONDING AGENT HAS FAILED TO COMPLY WITH THE PROVISIONS OF THIS
5 SUBSECTION (3.5)(d). IF THE TIME FOR APPEALING AN ORDER THAT
6 EXONERATED THE BAIL BOND HAS EXPIRED AT LEAST THREE YEARS
7 BEFORE THE PETITION IS FILED, THE COMMISSIONER MAY FILE A FULL
8 RELEASE OF ANY LIEN AGAINST REAL PROPERTY CREATED TO SECURE
9 PERFORMANCE OF THE CONDITIONS OF THE BAIL BOND.

10 **SECTION 4. Act subject to petition - effective date.** This act
11 takes effect at 12:01 a.m. on the day following the expiration of the
12 ninety-day period after final adjournment of the general assembly (August
13 9, 2017, if adjournment sine die is on May 10, 2017); except that, if a
14 referendum petition is filed pursuant to section 1 (3) of article V of the
15 state constitution against this act or an item, section, or part of this act
16 within such period, then the act, item, section, or part will not take effect
17 unless approved by the people at the general election to be held in
18 November 2018 and, in such case, will take effect on the date of the
19 official declaration of the vote thereon by the governor.