

CHAPTER 250

PROFESSIONS AND OCCUPATIONS

HOUSE BILL 99-1329

BY REPRESENTATIVES Dean and Vigil;
also SENATORS Lacy, Owen, Tebedo, and Wattenberg.

AN ACT

CONCERNING REGULATION OF BAIL BONDING AGENTS, AND, IN CONNECTION THEREWITH, REQUIRING CASH BONDING AGENTS TO BE LICENSED.

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

SECTION 1. 12-7-101, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

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

(7) "PROFESSIONAL CASH BAIL AGENT" MEANS A PERSON WHO IS AN AUTHORIZED BAIL BOND AGENT WHO FURNISHES BAIL FOR COMPENSATION IN ANY COURT OR COURTS IN THIS STATE IN CONNECTION WITH JUDICIAL PROCEEDINGS AND WHO IS NOT A FULL-TIME SALARIED OFFICER OR EMPLOYEE OF AN INSURER NOR A PERSON WHO PLEDGES UNITED STATES CURRENCY, A UNITED STATES POSTAL MONEY ORDER, A CASHIER'S CHECK, OR OTHER PROPERTY IN CONNECTION WITH A JUDICIAL PROCEEDING, WHETHER FOR COMPENSATION OR OTHERWISE.

SECTION 2. 12-7-102 (1), Colorado Revised Statutes, is amended to read:

12-7-102. License required - qualifications - enforcement. (1) No person can qualify to be a bail bonding agent unless such person is a licensed insurance producer appointed to represent an insurance company OR IS A LICENSED, PROFESSIONAL CASH BAIL AGENT under article 2 of title 10, C.R.S. However, any bail bonding agent who was licensed by the division as of January 1, 1992, to write bail bonds as a cash bonding agent shall be permitted to continue such licensure upon compliance with the other requirements of this article.

SECTION 3. 12-7-102.5, Colorado Revised Statutes, is amended BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS to read:

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

12-7-102.5. Prelicensure education requirements - exemptions. (6) AS A CONDITION OF INITIAL LICENSURE AND QUALIFICATION AS A PROFESSIONAL CASH BAIL AGENT, THE COMMISSIONER SHALL REQUIRE EACH APPLICANT TO SUBMIT EVIDENCE OF SATISFACTORY COMPLETION OF AN APPROVED PRELICENSURE EDUCATION OR TRAINING COURSE. SUCH EDUCATION OR TRAINING SHALL CONSIST OF NOT LESS THAN EIGHT CLOCK HOURS REGARDING BAIL BONDING, TWO OF WHICH SHALL CONCERN THE CRIMINAL COURT SYSTEM, TWO OF WHICH SHALL CONCERN BAIL BOND INDUSTRY ETHICS, AND FOUR OF WHICH SHALL CONCERN THE LAWS RELATING TO BAIL BONDS.

(7) THE PROFESSIONAL CASH BONDING AGENT SHALL BE LICENSED AS A BAIL BONDING AGENT IN COLORADO FOR FOUR YEARS PRIOR TO APPLYING FOR LICENSURE AS A PROFESSIONAL CASH BAIL AGENT.

(8) THE DIVISION SHALL PROMULGATE RULES NECESSARY FOR THE IMPLEMENTATION OF THIS SECTION.

SECTION 4. 12-7-103, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

12-7-103. License requirements - application - qualification bond - forfeiture.

(8) (a) EACH APPLICANT WHO IS TO BE AUTHORIZED AS A PROFESSIONAL CASH BAIL AGENT PURSUANT TO SECTION 12-7-102 (1) SHALL BE REQUIRED TO POST A QUALIFICATION BOND IN THE AMOUNT OF NO LESS THAN FIFTY THOUSAND DOLLARS WITH THE DIVISION. THE BOND SHALL BE TO THE PEOPLE OF THE STATE OF COLORADO IN FAVOR OF ANY COURT IN THIS STATE, WHETHER MUNICIPAL, COUNTY, DISTRICT, OR OTHER COURT. ANY QUALIFICATION BOND FOR A PROFESSIONAL CASH BAIL AGENT SHALL ALSO BE TO THE COMMISSIONER AND THE DIVISION TO FULFILL THE PURPOSES OF THIS SECTION. A PROFESSIONAL CASH BAIL AGENT SHALL NOT FURNISH A SINGLE BAIL GREATER THAN TWICE THE AMOUNT OF THE BOND POSTED WITH THE DIVISION. IN THE EVENT OF A FORFEITURE OF A PROFESSIONAL CASH BAIL AGENT'S QUALIFICATION BOND, THE DIVISION SHALL HAVE PRIORITY OVER ALL OTHER CLAIMANTS TO SUCH BOND. SUCH BOND SHALL BE CONDITIONED UPON FULL AND PROMPT PAYMENT INTO THE COURT ORDERING SUCH BOND FORFEITED. BAIL BONDING AGENTS AUTHORIZED AS PROFESSIONAL CASH BAIL AGENTS PURSUANT TO SECTION 12-7-102 (1) MAY ONLY ISSUE BONDS IN ACCORDANCE WITH THE PROVISIONS OF SECTION 16-4-104 (1) (b) (III), C.R.S. IN THE EVENT OF A QUALIFICATION BOND FORFEITURE, A PROFESSIONAL CASH BAIL AGENT SHALL BE PROHIBITED FROM WRITING NEW BAIL BONDS UNTIL THE QUALIFICATION BOND IS RESTORED TO AT LEAST FIFTY THOUSAND DOLLARS.

(b) IF THE NAME OF A PROFESSIONAL CASH BAIL AGENT IS PLACED ON THE BOARD PURSUANT TO SECTION 16-4-112 (5) (e), C.R.S., AND REMAINS ON THE BOARD FOR THE SAME FORFEITURE FOR MORE THAN THIRTY CONSECUTIVE DAYS, THE COURT THAT PLACED THE NAME OF THE PROFESSIONAL CASH BONDING AGENT ON THE BOARD SHALL ORDER THE DIVISION TO DECLARE THE QUALIFICATION BOND OF SUCH PROFESSIONAL CASH BAIL AGENT TO BE FORFEITED AFTER A HEARING AS PROVIDED IN SECTION 12-7-106 (2). THE DIVISION SHALL THEN ORDER THE PROFESSIONAL CASH BAIL AGENT ON THE QUALIFICATION BOND TO DEPOSIT WITH THE COURT AN AMOUNT EQUAL TO THE AMOUNT OF THE BOND ISSUED BY SUCH PROFESSIONAL CASH BAIL AGENT AND DECLARED FORFEITED BY THE COURT OR THE AMOUNT OF THE QUALIFICATION BOND, WHICHEVER IS THE SMALLER AMOUNT. THE DIVISION SHALL SUSPEND THE LICENSE OF SUCH PROFESSIONAL CASH BAIL AGENT UNTIL SUCH TIME AS ALL FORFEITURES AND

JUDGMENTS ORDERED AND ENTERED AGAINST THE PROFESSIONAL CASH BAIL AGENT HAVE BEEN CERTIFIED AS PAID OR VACATED BY ORDER OF A COURT OF RECORD AND ANOTHER QUALIFICATION BOND IN THE REQUIRED AMOUNT IS POSTED WITH THE DIVISION.

SECTION 5. 12-7-106 (1) (a), Colorado Revised Statutes, is amended, and the said 12-7-106 (1) is further amended BY THE ADDITION OF A NEW PARAGRAPH, to read:

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

(a) Failure of a cash bonding agent OR PROFESSIONAL CASH BAIL AGENT to post a qualified bond in the required amount with the division during the period such person is engaged in the business within this state or, if such bond has been posted, the forfeiture or cancellation of such bond;

(1) IF A PROFESSIONAL CASH BAIL AGENT FURNISHES A SINGLE BAIL IN ANY COURT IN THIS STATE IN AN AMOUNT GREATER THAN TWICE THE AMOUNT OF THE PROFESSIONAL CASH BAIL AGENT'S BOND POSTED WITH THE DIVISION.

SECTION 6. 10-2-407 (1) (f), Colorado Revised Statutes, is amended to read:

10-2-407. License - lines of insurance - authority. (1) An insurance producer may receive qualification for a single license to include one or more of the following lines:

(f) Bail ~~bonds~~ BONDING AGENT INCLUDING A SURETY AGENT, AS DEFINED IN SECTION 12-7-101 (1), C.R.S., A CASH BONDING AGENT, AS DEFINED IN SECTION 12-7-102 (1), C.R.S., AND A PROFESSIONAL CASH BAIL AGENT, AS DEFINED IN SECTION 12-7-101 (7), C.R.S.;

SECTION 7. Effective date - applicability. This act shall take effect January 1, 2000, and shall apply to licenses for bail bonding issued, renewed, denied, suspended, revoked, or refused to be renewed on or after said date.

SECTION 8. 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.

Approved: May 29, 1999

Editor's note: The Governor signed three other bills on May 29. They are not shown in the order that they were signed since they were delivered for printing out of the signing sequence order. See chapters 272, 273, and 274 for these bills.