

CHAPTER 280

INSURANCE

HOUSE BILL 12-1266

BY REPRESENTATIVE(S) Sonnenberg, Gardner B., Labuda, Waller, Kagan, Scott, Vigil;
also SENATOR(S) Morse, Carroll, White.

AN ACT

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

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

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

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

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

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

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

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

10-1-103. Division of insurance - subject to termination - repeal of functions.

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

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

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

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

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

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

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

(9) It is the duty of the commissioner to transmit all surcharges, costs, taxes,

penalties, and fines collected by the division of insurance under any provision of this title (except article 15) ~~article 7 of title 12~~; and article 14 of title 24, C.R.S., to the department of the treasury. All funds so transmitted shall be credited to the general fund; except that any funds collected by the commissioner as reimbursement for out-of-state travel costs in conjunction with the examination of an insurance company or with an activity to improve regulation of insurance companies are hereby continuously appropriated to the division of insurance in addition to any other funds appropriated for its normal operation.

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

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

(2) If the commissioner finds upon examination, hearing, or other evidence that any foreign or domestic insurance company has committed any of the acts specified in subsection (1) of this section, or any other act specified in this title ~~article 7 of title 12~~; and article 14 of title 24, C.R.S., for which the penalty is suspension or revocation of the certificate of authority, the commissioner may suspend or revoke such certificate of authority, if he or she deems it in the best interest of the public and the policyholders of the company, notwithstanding any other provision of said references. Notice of any revocation shall be published in one or more daily newspapers in Denver that have a general state circulation. Before suspending or revoking any certificate of authority of an insurance company, the commissioner shall grant the company fifteen days in which to show cause why such action should not be taken. Any final decision of the commissioner to suspend or revoke a certificate of authority or license of any person or entity regulated by the division of insurance shall be subject to judicial review by the court of appeals pursuant to section 24-4-106 (11), C.R.S.

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

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

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

10-1-112. Policy conditions required by other states. The policies of a domestic insurance company, when issued or delivered in any other state, territory,

district, or country, may contain any provision required by the laws of the state, territory, district, or country in which the same are issued, anything in this title (except article 15) ~~article 7 of title 12~~, and article 14 of title 24, C.R.S., to the contrary notwithstanding.

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

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

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

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

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

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

10-2-407. License - definitions of lines of insurance - authority. (1) Unless A PERSON IS denied licensure pursuant to section 10-2-801, ~~or 12-7-106, C.R.S.~~, THE DIVISION SHALL ISSUE a person who has met the requirements of sections 10-2-401 AND 10-2-404 ~~12-7-102, or 12-7-103, C.R.S.~~, may be issued an insurance producer license. An insurance producer may receive qualification for a single license to include one or more of the following lines of authority:

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

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

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

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

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

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

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

(B) SIXTEEN CLOCK HOURS OF TRAINING IN BAIL RECOVERY PRACTICES THAT COMPLIES WITH STANDARDS ESTABLISHED BY THE PEACE OFFICERS STANDARDS AND TRAINING BOARD UNDER SECTION 24-31-303 (1) (h), C.R.S.

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

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

(3) Each active insurance producer ~~bail bonding agent~~ appointment shall be

subject to renewal on October 1 of the renewal year. The division shall provide a list of active insurance producer appointees to the ~~insurer~~ BAIL INSURANCE COMPANY along with a renewal invoice stating the fee required for the renewal of each active insurance producer ~~bail bonding agent~~ appointment.

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

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

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

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

(c) THE NUMBER OF BAIL BONDS DISCHARGED BY A COURT FOR WHICH THE DEFENDANT APPEARED FOR ALL SCHEDULED COURT APPEARANCES FOR THE DURATION OF THE BOND;

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

(e) THE NUMBER OF BAIL BONDS DISCHARGED BY A COURT FOR WHICH THE DEFENDANT'S BOND WAS REVOKED BY A COURT AT THE REQUEST OF THE PRODUCER BECAUSE THE DEFENDANT WAS CHARGED WITH A NEW CRIMINAL OFFENSE ALLEGED TO HAVE BEEN COMMITTED DURING THE DURATION OF THE BOND; AND

(f) THE NUMBER OF BAIL BONDS POSTED BY THE PRODUCER OR ANY OTHER PRODUCER IN THE PRODUCER'S AGENCY FOR A DEFENDANT DURING THE TIME THE DEFENDANT WAS COVERED BY ANOTHER BOND POSTED BY THE PRODUCER OR THE PRODUCER'S AGENCY FOR ANOTHER CRIMINAL CASE.

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

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

(b) THE NUMBER OF DEFENDANTS WHO WERE RETURNED TO CUSTODY BY ACTION OF THE INSURANCE PRODUCER OR THE PRODUCER'S AGENT AFTER FAILURE TO

APPEAR; AND

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(a) AN INDEMNITY AGREEMENT MUST:

(I) BE IN WRITING;

(II) BE SIGNED BY THE PRODUCER;

(III) BE SIGNED BY THE DEFENDANT OR INDEMNITOR;

(IV) SET FORTH THE AMOUNT OF BAIL SET IN THE CASE, THE NAME OF THE DEFENDANT RELEASED ON THE BAIL BOND, THE COURT CASE NUMBER IF AVAILABLE, THE COURT WHERE THE BOND IS EXECUTED, THE PREMIUM CHARGED, THE AMOUNT AND TYPE OF COLLATERAL HELD BY THE INSURANCE PRODUCER, AND THE CONDITIONS UNDER WHICH THE COLLATERAL IS RETURNED;

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

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

(b) A PROMISSORY NOTE MUST BE:

(I) IN WRITING;

(II) SIGNED BY THE PRODUCER; AND

(III) SIGNED BY THE DEFENDANT OR INDEMNITOR;

(c) A COLLATERAL RECEIPT MUST:

(I) BE DATED;

(II) BE IN WRITING;

(III) BE SIGNED BY THE PRODUCER;

(IV) BE SIGNED BY THE DEFENDANT OR INDEMNITOR;

(V) BE PRENUMBERED;

(VI) CONTAIN A FULL DESCRIPTION OF THE COLLATERAL, INCLUDING THE CONDITION OF THE COLLATERAL AT THE TIME IT IS TAKEN INTO CUSTODY; AND

(VII) SET FORTH THE AMOUNT OF BAIL SET IN THE CASE, THE NAME OF THE DEFENDANT RELEASED ON THE BAIL BOND, THE COURT CASE NUMBER, THE COURT WHERE THE BOND IS EXECUTED, THE PREMIUM CHARGED, THE AMOUNT AND TYPE OF COLLATERAL HELD BY THE INSURANCE PRODUCER, AND THE CONDITIONS UNDER WHICH THE COLLATERAL IS RETURNED;

(d) A BAIL BOND REVOCATION REQUEST MUST BE:

(I) DATED;

(II) IN WRITING;

(III) SIGNED BY THE PRODUCER; AND

(IV) SIGNED BY THE DEFENDANT OR INDEMNITOR.

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

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

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

(I) THE DATE;

(II) THE DEFENDANT'S NAME;

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

(IV) THE PURPOSE FOR WHICH IT WAS RECEIVED;

(V) THE NUMBER OF ANY POWER-OF-ATTORNEY FORM ATTACHED TO THE BAIL BOND;

(VI) THE PENAL SUM OF THE BAIL BOND;

(VII) THE NAME OF THE PERSON TENDERING PAYMENT; AND

(VIII) THE TERMS UNDER WHICH THE MONEY OR OTHER CONSIDERATION IS RELEASED.

(b) THE INSURANCE PRODUCER WHO POSTS A BAIL BOND WITH THE COURT SHALL PROVIDE THE PERSON TENDERING PAYMENT A SIGNED AND DATED RECEIPT FOR EACH PREMIUM PAYMENT LISTING THE AMOUNT PAID.

(4) THE INSURANCE PRODUCER SHALL PREPARE OR EXECUTE SEPARATE AGREEMENTS AND DOCUMENTS FOR EACH TIME THE PRODUCER POSTS A BAIL BOND WITH THE COURT. THE PRODUCER SHALL GIVE THE INDEMNITOR A COPY OF EACH DOCUMENT EXECUTED IN THE COURSE OF THE BAIL BOND TRANSACTION.

(5) FOR THREE YEARS AFTER THE DATE OF DISCHARGE OF A BAIL BOND AND RETURN OF ANY COLLATERAL OR PROOF OF NOTICE TO THE DEFENDANT OR INDEMNITOR THAT ANY PROMISSORY NOTE HAS BEEN SATISFIED, THE INSURANCE PRODUCER WHO POSTS THE BAIL BOND WITH THE COURT SHALL KEEP AT THE PRODUCER'S BUSINESS COPIES OF EACH RECEIPT, INDEMNITY AGREEMENT, BOND, DISCLOSURE STATEMENT, PAYMENT PLAN, BOND REVOCATION REQUEST, OR OTHER DOCUMENT OR INFORMATION RELATED TO THE BOND TRANSACTION THE COMMISSIONER REASONABLY REQUIRES BY RULE AND SHALL MAKE THESE DOCUMENTS AVAILABLE FOR INSPECTION BY THE COMMISSIONER OR THE COMMISSIONER'S AUTHORIZED REPRESENTATIVE DURING NORMAL BUSINESS HOURS.

(6) THE INDEMNITOR MAY BE THE DEFENDANT.

(7) THE COMMISSIONER MAY EXAMINE THE BUSINESS PRACTICES, BOOKS, AND RECORDS OF ANY INSURANCE PRODUCER AS OFTEN AS THE COMMISSIONER DEEMS APPROPRIATE.

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

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

(2) IF AN INSURANCE PRODUCER WHO POSTS THE BAIL BOND WITH THE COURT HAS ISSUED A DISCLOSURE STATEMENT IN ACCORDANCE WITH SECTION 10-2-705 (2) (b), THE PRODUCER MAY USE COLLATERAL RECEIVED FROM THE DEFENDANT OR

INDEMNITOR TO SECURE THE FOLLOWING OBLIGATIONS:

- (a) COMPLIANCE WITH THE BOND ISSUED ON BEHALF OF THE PRINCIPAL;
- (b) ANY BALANCE DUE ON THE PREMIUM, COMMISSION, OR FEE FOR THE BAIL BOND; AND
- (c) ANY ACTUAL COSTS INCURRED BY THE INSURANCE PRODUCER AS A RESULT OF ISSUING THE BAIL BOND.

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

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

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

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

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

10-3-101. Formation of insurance companies. (2) When not less than the amount required by section 10-3-201 has been paid in by the incorporators and deposited with the commissioner, as provided for in this title (except article 15) ~~article 7 of title 12~~; and article 14 of title 24, C.R.S., the commissioner shall cause an examination to be made either by the commissioner or some disinterested person especially appointed by the commissioner for the purpose, who shall certify that said provisions have been complied with by said company, as far as applicable thereto. Such certificate shall be filed in the office of the commissioner, who shall thereupon deliver to such company a certified copy thereof, which, together with a copy of the articles of incorporation, shall be filed in the office of the recorder of deeds of the county wherein the company is to be located, before the authority to commence business is granted. Any filings required to be made with the commissioner pursuant to this subsection (2) may be in an electronic format.

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

10-3-103. Names of companies. No domestic insurance company shall adopt the name of any existing company transacting a similar business nor any name so

similar as to be calculated to mislead the public, but any domestic mutual or mutual assessment insurance company, upon complying with the terms and conditions of this title (except article 15), ~~article 7 of title 12~~, and article 14 of title 24, C.R.S., may be reorganized and reincorporated as a joint stock company under the same name by which it was incorporated as a mutual or assessment company, with the omission of the word "mutual", and it is unlawful for any other company to be incorporated or transact business under or by the name under which any such mutual or mutual assessment company was operating at the time of reincorporation.

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

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

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

10-3-108. File duly certified copy of charter. Except pursuant to the provisions of article 5 of this title, no foreign insurance company shall transact any business in this state unless it first files in the office of the commissioner a duly certified copy of its charter, articles of incorporation, or deed of settlement, together with a statement, under oath, of the president and secretary, or other chief officers of such company, showing the condition of affairs of such company on the thirty-first day of December next preceding the date of such oath. The statement shall be in the same form and shall set forth the same particulars as the annual statement required by this title (except article 15) ~~article 7 of title 12~~, and article 14 of title 24, C.R.S. After filing its articles of incorporation or charter with the secretary of state, no insurance company shall be required to file its annual report or any other instrument, except amendments to said articles of incorporation or charter, in the office of the secretary of state or to pay to the secretary of state an annual corporation tax. The filings required pursuant to this section may be made in an electronic format.

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

10-3-111. Violations - penalty. Except for violations of section 10-3-104 or article 15 of this title, any officer, director, stockholder, attorney, or agent of any corporation or association who violates any of the provisions of this title ~~article 7 of title 12~~, and article 14 of title 24, C.R.S., who participates in or aids, abets, or advises or consents to any such violation, and any person who solicits or knowingly receives any money or property in violation of said references, is guilty of a misdemeanor and, upon conviction thereof, shall be punished by imprisonment in the county jail for not more than one year and by a fine of not more than one thousand dollars, and any officer aiding or abetting in any contribution made in violation of said references is liable to the company or association for the amount so contributed. No person shall be excused from attending and testifying or producing any books, papers, or other documents, before any court, upon any

investigation, proceeding, or trial, for a violation of any of the provisions of said references upon the ground or for the reason that the testimony or evidence, documentary or otherwise, required of such person may tend to incriminate or degrade him or her; but no person shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he or she may so testify or produce evidence, documentary or otherwise, and no testimony so given or produced shall be used against him or her upon any criminal investigation or proceeding.

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

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

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

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

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

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

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

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

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

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

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

10-3-208. Financial statements. (1) All insurance companies doing business in this state, unless otherwise provided in this title (except article 15) ~~article 7 of title 12~~, and article 14 of title 24, C.R.S., shall make and file with the commissioner annually, on or before the first day of March in each year, a statement under oath, upon a form to be prescribed by the commissioner, stating the amount of all premiums collected or contracted for in this state or from residents thereof, in cash or notes, by the company making such statement during the year ending the last day of December next preceding; the amounts actually paid policyholders on losses and the amounts paid policyholders as returned premiums by property and casualty insurance companies; the amount of insurance reinsured in other companies authorized to do business in this state and the amount of premiums paid therefor; the amount of insurance reinsured in companies, naming them, not authorized to do business in this state and the amount of premiums paid therefor; and the amount of reinsurance accepted from admitted companies and the premiums received from such reinsurance on residents of this state or risks located in this state, with the name of the companies so reinsured. The annual statement made to the commissioner pursuant to this section or other provisions of said references shall at

least include the substance of that which is required by what is known as the convention blank form adopted from year to year by the national association of insurance commissioners, including any instructions, procedures, and guidelines not in conflict with any provision of this title for completing the convention blank form.

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

10-3-209. Tax on premiums collected - exemptions - penalties. (1) (c) The taxes prescribed in paragraph (b) of this subsection (1) shall constitute all taxes collectible under the laws of this state against any such insurance companies, and no other occupation tax or other taxes shall be levied or collected from any insurance company by any county, city, or town within this state; but this title (except article 15) ~~article 7 of title 12,~~ and article 14 of title 24, C.R.S., shall not be construed to prohibit the levy and collection of state, county, school, and municipal taxes upon the real and personal property of such companies, nor shall it include or prohibit the levy and collection of a tax to be paid on net workers' compensation premiums, as provided under the "Colorado Medical Disaster Insurance Fund Act", part 3 of article 46 of title 8, C.R.S.

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

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

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

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

at the current annual statement date or, in the case of any statement or examination as of a date other than an annual statement date, the amount determined at such other date.

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

10-3-230. Additional investments. (1) Domestic insurance companies may invest in any additional investments, except items specifically defined as nonadmitted assets in this title (except article 15) ~~article 7 of title 12~~, and article 14 of title 24, C.R.S., without regard to any limitation, condition, restriction, or exclusion set forth in sections 10-3-215 to 10-3-229 and 10-3-242, and regardless of whether the same or a similar type of investment has been included in or omitted from any such section, subject to the following provisions:

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

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

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

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

10-3-236. Assets acquired through merger, consolidation, or reinsurance. Any investments acquired after May 31, 1969, through merger, consolidation, or reinsurance that are not admitted assets under this title (except article 15) ~~article 7 of title 12~~, and article 14 of title 24, C.R.S., shall not be deemed admitted assets by reason of their acquisition through merger, consolidation, or reinsurance.

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

10-3-237. Assets acquired under prior law. (2) Notwithstanding any other provision of this title (except article 15) ~~article 7 of title 12~~, and article 14 of title 24, C.R.S., any asset held by a company on May 31, 1969, that is not an admitted asset under section 10-1-102 (2) or subsection (1) of this section and that did not meet the requirements of the law in effect immediately prior to such date for an investment of the company's reserves, paid-up capital stock, and other liabilities but which,

under such law, would have been taken into account as an asset in determining the surplus of the company shall be taken into account as an admitted asset at all times at which the company has aggregate admitted assets under section 10-1-102 (2) and subsection (1) of this section in an amount at least equal to the total of its reserves, paid-up capital stock, and all other liabilities.

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

10-3-238. Refunds. Whenever it appears to the satisfaction of the commissioner that, because of some mistake of fact, error in calculation, or erroneous interpretation of a statute of this or any other state, any insurer or other person engaged in the business of insurance in this state has paid to the commissioner or to the state of Colorado, pursuant to any provision of this title (except article 15 ~~article 7 of title 12~~, and article 14 of title 24, C.R.S., any taxes, fees, or other charges in excess of the amount legally chargeable against said insurer or other person during the one-year period immediately preceding the discovery of such overpayment, the commissioner has the authority to refund to such insurer or other person the amount of such excess by applying the amount thereof toward the payment of taxes, fees, or other charges already due, or that may thereafter become due, from such insurer or other person until such excess has been fully refunded; or, at the commissioner's discretion, the commissioner may make a cash refund thereof.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

10-12-106. Fees of mutual companies. Mutual and assessment companies, unless otherwise specified in this title (except article 15), ~~article 7 of title 12,~~ and article 14 of title 24, C.R.S., are required to pay the same fees and be under the same supervision and authority of the commissioner as companies that are engaged

in the same kind of insurance business and that are organized upon the joint-stock plan, and they shall comply with the general laws of this title, unless otherwise specified, and be subject to the penalties provided therein.

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

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

ARTICLE 23
Cash Bonding Agents

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

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

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

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

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

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

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

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

~~(5) Repealed.~~

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

~~(7)~~ (3) "Professional cash-bail agent" means a person who ~~is an authorized~~ FURNISHES 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~~ BY POSTING A BOND WITH THE DIVISION. "PROFESSIONAL CASH-BAIL AGENT" DOES NOT MEAN 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.

10-23-102. [Formerly 12-7-102] Registration required - qualifications - enforcement. (1) No person ~~can qualify~~ QUALIFIES 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.~~ UNLESS THE PERSON REGISTERS WITH THE DIVISION. 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~~ MAY continue ~~such licensure~~ TO BE REGISTERED upon compliance with the other requirements of this article.

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

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

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

(3) (a) ~~The division is vested with the authority to enforce the provisions of this article. The division shall have authority to make investigations and promulgate such rules and regulations as may be necessary for the enforcement of this article.~~ ALL REGISTRATIONS EXPIRE IN ACCORDANCE WITH A SCHEDULE ESTABLISHED BY THE COMMISSIONER, AND THE REGISTRANT SHALL RENEW OR REINSTATE THE REGISTRATION IN ACCORDANCE WITH THE RULES OF THE COMMISSIONER. IF THE COMMISSIONER SCHEDULES A REGISTRATION TO EXPIRE FOR LONGER OR SHORTER THAN A YEAR, THE FEE FOR THE COMMISSIONER SHALL PROPORTIONALLY ADJUST THE RENEWAL FEE FOR THE REGISTRATION. THE REGISTRANT MUST SATISFY ALL REGISTRATION AND RENEWAL REQUIREMENTS TO QUALIFY TO REGISTER.

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

(4) Each licensee's license shall expire biennially on January 1 unless revoked or suspended prior thereto by the division or upon notice served upon the commissioner by the insurer or the employer or user of any license that such insurer, employer, or user has cancelled the licensee's authority to act for or in behalf of such insurer, employer, or user. THE DIVISION SHALL TRANSMIT ALL FEES COLLECTED

UNDER THIS ARTICLE TO THE STATE TREASURER, WHO SHALL CREDIT THE FEES TO THE DIVISION OF INSURANCE CASH FUND CREATED IN SECTION 10-1-103.

(5) The division shall prepare and deliver to each ~~licensee~~ REGISTRANT a pocket card showing the name, address, and classification of ~~such licensee~~. ~~Such~~ THE REGISTRANT. THE pocket card ~~shall~~ MUST clearly state that ~~such~~ THE person is a ~~licensed bonding agent~~ AUTHORIZED TO PRACTICE AS A CASH-BONDING AGENT OR PROFESSIONAL CASH-BAIL AGENT.

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

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

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

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

(IV) THE NUMBER OF BAIL BONDS DISCHARGED BY A COURT FOR WHICH THE DEFENDANT'S BOND WAS REVOKED BY A COURT AT THE REQUEST OF THE AGENT FOR ANY REASON OTHER THAN FAILURE TO APPEAR;

(V) THE NUMBER OF BAIL BONDS DISCHARGED BY A COURT FOR WHICH THE DEFENDANT'S BOND WAS REVOKED BY A COURT AT THE REQUEST OF THE AGENT BECAUSE THE DEFENDANT WAS CHARGED WITH A NEW CRIMINAL OFFENSE ALLEGED TO HAVE BEEN COMMITTED DURING THE DURATION OF THE BOND; AND

(VI) THE NUMBER OF BAIL BONDS POSTED BY THE AGENT FOR A DEFENDANT DURING THE TIME THE DEFENDANT WAS COVERED BY ANOTHER BOND POSTED BY THE AGENT FOR ANOTHER CRIMINAL CASE.

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

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

(II) THE NUMBER OF DEFENDANTS WHO WERE RETURNED TO CUSTODY BY ACTION

OF THE PROFESSIONAL CASH-BAIL AGENT OR CASH-BONDING AGENT OR THE AGENTS THEREOF AFTER FAILURE TO APPEAR; AND

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

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

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

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

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

~~(b) Repealed.~~

~~(c) (a) Whether the applicant DURING THE LAST TEN YEARS has been convicted of a felony, entered a guilty plea to a felony, accepted a plea of nolo contendere to a felony, or engaged in or committed an act described in section 12-7-106 (1) during the previous ten years THAT VIOLATES THIS ARTICLE, A RULE PROMULGATED UNDER THIS ARTICLE, OR ANY ACT THAT WOULD VIOLATE THIS ARTICLE OR A RULE PROMULGATED UNDER THIS ARTICLE IF IT HAD BEEN COMMITTED IN COLORADO; AND~~

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

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

~~(1.5) (a) (2) Prior to submission of an application UNDER THIS ARTICLE, each applicant shall have his or her fingerprints taken by a local law enforcement agency for the purpose of obtaining TO OBTAIN 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 said THE record check at the time WHEN 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.~~

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

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

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

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

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

~~(3)(a) Each applicant who is to be authorized as a cash bonding agent pursuant to section 12-7-102 (1) shall be required to post a qualification bond in the amount of 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 cash bail bonding agent shall also be to the commissioner and the division to fulfill the purposes of this section. In the event of a forfeiture of a cash bonding 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 cash bonding agents pursuant to section 12-7-102 (1) may only issue bonds in accordance with the provisions of section 16-4-104 (1) (b) (HI), C.R.S. In the event of a qualification bond forfeiture, a cash bonding agent shall be prohibited from writing new bail bonds until the qualification bond is restored to fifty thousand dollars.~~

~~(b) If the name of a cash bonding 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 cash bonding agent on the board shall order the division to declare the qualification bond of such cash bonding agent to be forfeited after a hearing as provided in section 12-7-106 (2). The division shall then order the cash bonding agent on the qualification bond to deposit with the court an amount equal to the amount of the bond issued by such cash bonding 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 cash bonding agent until such time as all forfeitures and judgments ordered and entered against the cash bonding 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.~~

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

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

~~(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) (c), 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.~~

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

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

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

(c) EACH PROFESSIONAL CASH-BAIL AGENT AND CASH-BONDING AGENT SHALL PAY TO THE DIVISION A FEE OF ONE PERCENT ON THE GROSS AMOUNT OF ALL PREMIUMS AND FEES COLLECTED OR CONTRACTED FOR THE FURNISHING OF BAIL,

LESS ANY PREMIUM OR FEE REFUNDED AFTER BEING COLLECTED. THE DIVISION MAY LOWER THE FEE IF THE AMOUNT COLLECTED WOULD EXCEED THE AMOUNT NEEDED TO IMPLEMENT THIS ARTICLE PLUS A RESERVE OF SIXTEEN AND ONE-HALF PERCENT.

(d) THE PREMIUM FEE IS DUE AND PAYABLE ON THE FIFTEENTH DAY OF JANUARY IN EACH YEAR. ANY PROFESSIONAL CASH-BAIL AGENT OR CASH-BONDING AGENT FAILING OR REFUSING TO RENDER A STATEMENT AND INFORMATION, OR TO PAY THE FEE UNDER THIS SECTION, FOR MORE THAN THIRTY DAYS AFTER THE TIME SPECIFIED, IS LIABLE FOR A PENALTY OF UP TO ONE HUNDRED DOLLARS FOR EACH ADDITIONAL DAY OF DELINQUENCY. THE DIVISION MAY ASSESS THE PENALTY AND INTEREST AT A RATE OF ONE PERCENT PER MONTH OR FRACTION THEREOF ON THE UNPAID AMOUNT FROM THE DATE WHEN PAYMENT WAS DUE TO THE DATE WHEN FULL PAYMENT IS MADE. THE DIVISION MAY SUSPEND THE REGISTRATION OF A DELINQUENT AGENT UNTIL ANY FEES, PENALTIES, AND INTEREST ARE FULLY PAID.

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

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

10-23-105. [Formerly 12-7-103 (3) (a)] Qualification bond - forfeiture.

(1) Each ~~applicant who is to be authorized as a cash-bonding agent pursuant to section 12-7-102 (1)~~ shall ~~be required to~~ post a CASH qualification bond ~~in the amount~~ of fifty thousand dollars with the division. The bond ~~shall~~ MUST 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 cash bail bonding agent shall also be to the commissioner and TO the division to fulfill~~ FOR the purposes of this section. In the event of a forfeiture of a cash-bonding agent's qualification bond, the division ~~shall have~~ HAS priority over all other claimants. ~~To such bond. Such~~ COMPLY WITH THIS SUBSECTION (1), THE bond ~~shall~~ MUST be conditioned upon full and prompt payment into the court ordering ~~such~~ THE bond forfeited. ~~Bail bonding agents authorized as Cash-bonding agents pursuant to section 12-7-102 (1) may only~~ SHALL NOT issue bonds EXCEPT 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 cash-bonding agent ~~shall be prohibited from writing~~ SHALL NOT WRITE new bail bonds until the qualification bond is restored to fifty thousand dollars.

(2) ~~[Formerly 12-7-103 (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 CASH 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 TO the division to fulfill~~ FOR 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~~ HAS priority over all other claimants to ~~such~~ THE bond. ~~Such~~ TO COMPLY WITH THIS SUBSECTION (2), THE bond ~~shall~~ MUST be conditioned upon full and prompt payment into the court ordering ~~such~~ THE bond forfeited. ~~Bail bonding agents authorized as~~ Professional cash-bail agents ~~pursuant to section 12-7-102 (1) may only~~ SHALL NOT issue bonds EXCEPT 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~~ NOT WRITE new bail bonds until the qualification bond is restored to at least fifty thousand dollars.

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

(4) TO QUALIFY UNDER THIS SECTION:

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

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

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

(d) THE PROFESSIONAL CASH-BAIL OR CASH-BONDING AGENT MAY RECEIVE INTEREST THEREON, UNLESS THE PRINCIPAL AMOUNT OF THE QUALIFICATION BOND FALLS BELOW THE REQUIRED FIFTY THOUSAND DOLLARS, IF THE QUALIFICATION BOND IS AN INTEREST-BEARING INSTRUMENT;

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

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

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

10-23-106. [Formerly 12-7-106] Discipline - hearing - civil penalty. (1) The division ~~shall~~ MAY 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 REGISTRATION, OR ISSUE A CEASE-AND-DESIST ORDER IN ACCORDANCE WITH THIS SECTION, UPON REASONABLE GROUNDS THAT THE REGISTRANT:

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

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

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

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

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

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

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

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

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

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

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

~~(f) 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.~~

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

(3) ~~Except for the reasons listed in paragraphs (e) and (f) of subsection (1) of this section, the commissioner, in lieu of revoking or suspending a license, may in any one proceeding, by order, require the licensee to pay to the commissioner, to be deposited in the general fund of the state, a civil penalty in the sum of no less than three hundred dollars and no more than one thousand dollars for each offense. Upon~~

~~failure of the licensee to pay the penalty within twenty days after the mailing of the order, postage prepaid, registered and addressed to the last-known place of business of the licensee, the commissioner may revoke the license of the licensee or may suspend the license for such period as the commissioner may determine, unless the commissioner's order is stayed by an order of a court of competent jurisdiction.~~ EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, THE COMMISSIONER 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 BE IMPOSED.

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

(b) IN ANY PROCEEDING HELD UNDER THIS SECTION, THE COMMISSIONER MAY ACCEPT AS EVIDENCE OF GROUNDS FOR DISCIPLINARY ACTION ANY DISCIPLINARY ACTION TAKEN AGAINST A REGISTRANT 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) DISCIPLINARY PROCEEDINGS, HEARINGS, AND OPPORTUNITY FOR REVIEW MUST BE CONDUCTED IN ACCORDANCE WITH ARTICLE 4 OF TITLE 24, C.R.S., BY THE COMMISSIONER OR BY AN ADMINISTRATIVE LAW JUDGE, AT THE COMMISSIONER'S DISCRETION. THE COMMISSIONER MAY EXERCISE ALL POWERS AND DUTIES CONFERRED BY THIS ARTICLE DURING THE DISCIPLINARY PROCEEDINGS.

(6) (a) THE COMMISSIONER MAY REQUEST THE ATTORNEY GENERAL TO 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 SHALL NOT BE 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 COMMISSIONER MAY INVESTIGATE, HOLD HEARINGS, AND GATHER EVIDENCE IN ALL MATTERS RELATED TO THE EXERCISE AND PERFORMANCE OF THE POWERS AND DUTIES OF THE COMMISSIONER.

(II) IN ORDER TO AID THE COMMISSIONER IN ANY HEARING OR INVESTIGATION INSTITUTED UNDER THIS SECTION, THE COMMISSIONER OR AN ADMINISTRATIVE LAW JUDGE APPOINTED BY THE COMMISSIONER 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 COMMISSIONER OR AN ADMINISTRATIVE LAW JUDGE.

(III) UPON FAILURE OF ANY WITNESS OR REGISTRANT TO COMPLY WITH A SUBPOENA OR PROCESS, THE DISTRICT COURT OF THE COUNTY WHERE THE SUBPOENAED PERSON OR REGISTRANT RESIDES OR CONDUCTS BUSINESS, UPON APPLICATION BY THE COMMISSIONER WITH NOTICE TO THE SUBPOENAED PERSON OR

REGISTRANT, MAY ISSUE TO THE PERSON OR REGISTRANT AN ORDER REQUIRING THE PERSON OR REGISTRANT TO APPEAR BEFORE THE COMMISSIONER; 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 REGISTRANT FAILS TO OBEY THE ORDER OF THE COURT, THE PERSON OR REGISTRANT MAY BE HELD IN CONTEMPT OF COURT.

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

(7)(a) THE COMMISSIONER, THE COMMISSIONER'S STAFF, ANY PERSON ACTING AS A WITNESS OR CONSULTANT TO THE COMMISSIONER, ANY WITNESS TESTIFYING IN A PROCEEDING AUTHORIZED UNDER THIS ARTICLE, AND ANY PERSON WHO LODGES A COMPLAINT PURSUANT TO THIS ARTICLE IS IMMUNE FROM LIABILITY IN ANY CIVIL ACTION BROUGHT AGAINST HIM OR HER FOR ACTS OCCURRING WHILE ACTING IN HIS OR HER CAPACITY AS COMMISSIONER, STAFF, CONSULTANT, OR WITNESS, RESPECTIVELY, IF SUCH 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 TAKEN BY HIM OR HER 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 UNDER 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 COMMISSIONER IS SUBJECT TO JUDICIAL REVIEW BY THE COURT OF APPEALS PURSUANT TO SECTION 24-4-106 (11), C.R.S. A JUDICIAL PROCEEDING TO ENFORCE AN ORDER OF THE COMMISSIONER MAY BE INSTITUTED IN ACCORDANCE WITH SECTION 24-4-106 (3), C.R.S.

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

(10)(a) IF IT APPEARS TO THE COMMISSIONER, BASED UPON CREDIBLE EVIDENCE AS PRESENTED IN A WRITTEN COMPLAINT BY ANY PERSON, THAT A REGISTRANT IS ACTING IN A MANNER THAT IS AN IMMINENT THREAT TO THE HEALTH AND SAFETY OF THE PUBLIC, OR THAT A PERSON IS ACTING OR HAS ACTED WITHOUT THE REQUIRED REGISTRATION, THE COMMISSIONER MAY ISSUE AN ORDER TO CEASE AND DESIST SUCH ACTIVITY. THE ORDER MUST SET FORTH 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 UNREGISTERED PRACTICES IMMEDIATELY CEASE.

(b) WITHIN TEN DAYS AFTER SERVICE OF THE ORDER TO CEASE AND DESIST UNDER PARAGRAPH (a) OF THIS SUBSECTION (10), THE REGISTRANT MAY REQUEST A HEARING ON THE QUESTION OF WHETHER ACTS OR PRACTICES IN VIOLATION OF THIS

ARTICLE HAVE OCCURRED. THE HEARING MUST BE CONDUCTED PURSUANT TO SECTIONS 24-4-104 AND 24-4-105, C.R.S.

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

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

(c) (I) THE COMMISSIONER 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 COMMISSIONER AS PROVIDED IN THIS SUBSECTION (11). THE HEARING MAY BE CONTINUED 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.

(II) IF A PERSON AGAINST WHOM AN ORDER TO SHOW CAUSE HAS BEEN ISSUED DOES NOT APPEAR AT THE HEARING, THE COMMISSIONER MAY PRESENT EVIDENCE THAT NOTIFICATION WAS PROPERLY SENT OR SERVED ON THE PERSON UNDER THIS SUBSECTION (11) AND SUCH OTHER EVIDENCE RELATED TO THE MATTER AS THE COMMISSIONER DEEMS APPROPRIATE. THE COMMISSIONER SHALL ISSUE THE ORDER WITHIN TEN DAYS AFTER THE COMMISSIONER'S DETERMINATION RELATED TO REASONABLE ATTEMPTS TO NOTIFY THE RESPONDENT, AND THE ORDER SHALL BECOME FINAL AS TO THAT PERSON BY OPERATION OF LAW. THE COMMISSIONER SHALL CONDUCT THE HEARING IN ACCORDANCE WITH SECTIONS 24-4-104 AND 24-4-105, C.R.S.

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

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

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

(13) IF ANY PERSON FAILS TO COMPLY WITH A FINAL CEASE-AND-DESIST ORDER OR A STIPULATION, THE COMMISSIONER 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 GENERAL 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 COMMISSIONER'S DETERMINATION OR OF THE COMMISSIONER'S FINAL ORDER AS PROVIDED IN SUBSECTION (8) OF THIS SECTION.

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

10-23-108. Bail bond documents - requirements - rules. (1) THE PROFESSIONAL CASH-BAIL AGENT OR CASH-BONDING AGENT WHO POSTS A BAIL BOND WITH THE COURT ON BEHALF OF A DEFENDANT SHALL ENSURE THAT THE FOLLOWING DOCUMENTS COMPLY WITH THE FOLLOWING PROVISIONS:

(a) AN INDEMNITY AGREEMENT MUST:

(I) BE IN WRITING;

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

(III) BE SIGNED BY THE DEFENDANT OR INDEMNITOR;

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

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

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

(b) A PROMISSORY NOTE MUST BE:

(I) IN WRITING;

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

(III) SIGNED BY THE DEFENDANT OR INDEMNITOR;

(c) A COLLATERAL RECEIPT MUST:

(I) BE DATED;

(II) BE IN WRITING;

(III) BE SIGNED BY THE PROFESSIONAL CASH-BAIL AGENT OR CASH-BONDING AGENT;

(IV) BE SIGNED BY THE DEFENDANT OR INDEMNITOR;

(V) BE PRENUMBERED;

(VI) CONTAIN A FULL DESCRIPTION OF THE COLLATERAL, INCLUDING THE CONDITION OF THE COLLATERAL AT THE TIME IT IS TAKEN INTO CUSTODY; AND

(VII) SET FORTH THE AMOUNT OF BAIL SET IN THE CASE, THE NAME OF THE DEFENDANT RELEASED ON THE BAIL BOND, THE COURT CASE NUMBER, THE COURT WHERE THE BOND IS EXECUTED, THE PREMIUM CHARGED, THE AMOUNT AND TYPE OF COLLATERAL HELD BY THE AGENT, AND THE CONDITIONS UNDER WHICH THE COLLATERAL IS RETURNED;

(d) A BAIL BOND REVOCATION REQUEST MUST BE:

(I) DATED;

(II) IN WRITING;

(III) SIGNED BY THE PROFESSIONAL CASH-BAIL AGENT OR CASH-BONDING AGENT;
AND

(IV) SIGNED BY THE DEFENDANT OR INDEMNITOR.

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

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

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

(I) THE DATE;

(II) THE DEFENDANT'S NAME;

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

(IV) THE PURPOSE FOR WHICH IT WAS RECEIVED;

(V) THE PENAL SUM OF THE BAIL BOND;

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

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

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

(4) THE PROFESSIONAL CASH-BAIL AGENT OR CASH-BONDING AGENT SHALL PREPARE OR EXECUTE SEPARATE AGREEMENTS AND DOCUMENTS FOR EACH TIME THE AGENT POSTS A BAIL BOND WITH THE COURT. THE AGENT SHALL GIVE THE INDEMNITOR A COPY OF EACH DOCUMENT EXECUTED IN THE COURSE OF THE BAIL BOND TRANSACTION.

(5) FOR THREE YEARS AFTER THE DATE OF DISCHARGE OF A BAIL BOND AND RETURN OF ANY COLLATERAL OR PROOF OF NOTICE TO THE DEFENDANT OR INDEMNITOR THAT ANY PROMISSORY NOTE HAS BEEN SATISFIED, THE PROFESSIONAL CASH-BAIL AGENT OR CASH-BONDING AGENT SHALL KEEP AT THE AGENT'S BUSINESS, COPIES OF EACH RECEIPT, INDEMNITY AGREEMENT, BOND, DISCLOSURE STATEMENT, PAYMENT PLAN, BOND REVOCATION REQUEST, OR OTHER DOCUMENT OR

INFORMATION RELATED TO THE BOND TRANSACTION AND SHALL MAKE THESE DOCUMENTS AVAILABLE FOR INSPECTION BY THE COMMISSIONER OR THE COMMISSIONER'S AUTHORIZED REPRESENTATIVE DURING NORMAL BUSINESS HOURS.

(6) THE INDEMNITOR MAY BE THE DEFENDANT.

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

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

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

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

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

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

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

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

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

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

16-3-503. Bonds recovered for persons illegally in the country. (1) (c) If it is determined that a defendant is illegally present in the country after ~~a bail~~ AN

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

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

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

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

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

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

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

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

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

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

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

18-13-130. [Formerly 12-7-109 (1) and (2)] Bail bond - prohibited activities - penalties. (1) It is unlawful for any ~~licensee under this article~~ PERSON WHO ENGAGES IN THE BUSINESS OF WRITING BAIL BONDS to engage in any of the following

activities RELATED TO A BAIL BOND TRANSACTION:

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

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

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

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

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

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

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

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

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

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

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

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

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

(h) EXCEPT FOR THE BOND FEE, TO FAIL TO RETURN ANY NONFORFEITED COLLATERAL OR SECURITY WITHIN FOURTEEN DAYS AFTER RECEIPT OF A COPY OF THE COURT ORDER THAT RESULTS IN A RELEASE OF THE BOND BY THE COURT, OR IF THE DEFENDANT FAILS TO APPEAR AND THE SURETY IS EXONERATED, FAILS TO RETURN THE COLLATERAL TO THE INDEMNITOR UPON REQUEST WITHIN FOURTEEN DAYS AFTER THE THREE-YEAR PERIOD, UNLESS:

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

(II) THE LATER OF THREE YEARS OR, IF THE COURT GRANTS AN EXTENSION, SIX YEARS HAVE ELAPSED FROM THE DATE THE BOND WAS POSTED.

~~(k) (i) Accept anything of value from a person on whose bond such licensee~~ THE PERSON IN THE BUSINESS OF WRITING BAIL BONDS is indemnitor or from another on behalf of ~~such~~ THE principal except the premium, ~~except that the bail bonding agent licensed under this article may accept collateral security or other indemnity from the person on whose bond such bail bonding agent is indemnitor or from another on behalf of such principal. All such collateral or other indemnity shall be returned pursuant to the requirements contained in paragraph (d.5) of this subsection (1). The bail bonding agent licensed under this article shall preserve and separately retain such collateral and shall be responsible for the return of all such collateral taken and shall be liable for failure thereof as will also be the surety company. When a bail bonding agent accepts collateral as security pursuant to this paragraph (k), such bail bonding agent shall give a written receipt for such collateral to the person on whose bond such bail bonding agent is indemnitor or to another on behalf of such principal and the surety, which shall provide in detail a full description of the collateral received. In the event of the failure of or inability for any reason of a bail bonding agent or such bail bonding agent's heirs or assignees to return collateral as required in this paragraph (k), the commissioner or the commissioner's designee is authorized to take immediate possession of the collateral and take whatever actions are~~

necessary and appropriate to assure compliance with the obligations of this article relating to the return of collateral. The commissioner is authorized to utilize any or all of the qualification bond required in section 12-7-103 (3) for any costs incurred. Any such payment received by the commissioner is hereby appropriated to the division of insurance in addition to any other funds appropriated for its normal operation. The commissioner shall forfeit a qualification bond in the amount necessary to pay any final, nonappealable judgment award for failure to return collateral, including costs and attorney's fees, if awarded: AS AUTHORIZED BY TITLE 10, C.R.S., OR ANY RULE OF THE DIVISION OF INSURANCE PROMULGATED UNDER TITLE 10, C.R.S.;

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

~~(m)~~ (k) For any one licensee To have more than one bond posted at any one time and in any single ONE case on behalf of any one person;

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

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

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

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

24-34-104. General assembly review of regulatory agencies and functions for termination, continuation, or reestablishment. (43) The following agencies, functions, or both, ~~shall~~ terminate on July 1, 2012:

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

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

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

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

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

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

(z) July 1, 2013:

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

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

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

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

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

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

(p) ~~To conduct a criminal background check of an applicant who wishes to provide bail recovery services for a bail bonding agent under section 12-7-105.5 (1) (a), C.R.S.;~~

SECTION 51. Appropriation - adjustments in 2012 long bill. For the implementation of this act, the cash funds appropriations made in the annual general appropriation act to the department of regulatory agencies for the fiscal year beginning July 1, 2012, for the division of insurance, is decreased by \$3,930 and 0.1 FTE. Said sum is from the division of insurance cash fund created in section 10-1-103 (3), Colorado Revised Statutes.

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

SECTION 53. 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: June 8, 2012