

An Act

SENATE BILL 17-236

BY SENATOR(S) Coram, Gardner;
also REPRESENTATIVE(S) Weissman, Buckner.

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

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

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

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 This ~~article~~ **ARTICLE 23** is repealed, effective September 1, ~~2017.~~ ~~Prior to the~~ 2026.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

SECTION 2. In Colorado Revised Statutes, 24-34-104, **amend** (27)(a) introductory portion; **repeal** (13)(a)(III); and **add** (27)(a)(VII) as

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

follows:

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

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

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

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

SECTION 3. In Colorado Revised Statutes, 10-23-108, amend (3.5)(d) as follows:

10-23-108. Bail bond documents - requirements - rules.
(3.5) (d) (I) The bonding agent shall deliver to the property owner a fully executed and notarized reconveyance of title, a certificate of discharge, or a full release of any lien against real property that secures performance of the conditions of a bail bond within thirty-five days after receiving notice that the time for appealing an order that exonerated the bail bond has expired. The bonding agent shall also deliver to the property owner the original cancelled note, as evidence that the indebtedness secured by any lien instrument has been paid or that the purposes of said THE instrument have been fully satisfied, and the original deed of trust, security agreement, or other instrument that secured the bail bond obligation. If a timely notice of appeal is filed, the thirty-five-day period ~~shall begin~~ BEGINS on the day the appellate court's affirmation of the order becomes final.

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

bonding agent has failed to comply with the provisions of this paragraph ~~(d)~~ SUBSECTION (3.5)(d).

(III) (A) IF A BONDING AGENT FAILS TO COMPLY WITH THIS SUBSECTION (3.5)(d), THE PROPERTY OWNER MAY FILE A COMPLAINT WITH THE COMMISSIONER REQUESTING THAT THE COMMISSIONER PETITION A DISTRICT COURT TO FILE FOR RECORD A FULL RELEASE OF ANY LIEN AGAINST REAL PROPERTY SECURING PERFORMANCE OF THE CONDITIONS OF THE BAIL BOND.

(B) TO BE ACCEPTED BY THE COMMISSIONER, THE COMPLAINT MUST BE VERIFIED AND ALLEGE FACTS SHOWING THAT THE BONDING AGENT HAS FAILED TO COMPLY WITH THIS SUBSECTION (3.5)(d). THE COMPLAINT MUST INCLUDE A COPY OF THE LIEN THE PROPERTY OWNER IS REQUESTING BE RELEASED.

(C) UPON RECEIPT OF A VERIFIED COMPLAINT MEETING THE REQUIREMENTS OF SUBSECTION (3.5)(d)(III)(B) OF THIS SECTION, THE COMMISSIONER SHALL MAIL A COPY OF THE COMPLAINT TO THE BONDING AGENT AT THE BONDING AGENT'S LAST-KNOWN ADDRESS.

(D) IF THE TIME FOR APPEALING AN ORDER THAT EXONERATED THE BAIL BOND HAS EXPIRED AT LEAST THREE YEARS BEFORE THE COMPLAINT IS FILED, AND IF THE COMMISSIONER DOES NOT RECEIVE A REPLY FROM THE BONDING AGENT CONTESTING THE RELEASE OF THE LIEN WITHIN THIRTY-FIVE DAYS AFTER MAILING THE COMPLAINT REQUIRED IN SUBSECTION (3.5)(d)(III)(C) OF THIS SECTION, THE COMMISSIONER MAY PETITION THE DISTRICT COURT TO ISSUE AN ORDER DIRECTING THE CLERK OF THE COURT TO EXECUTE A FULL RECONVEYANCE OF TITLE, A CERTIFICATE OF DISCHARGE, OR A FULL RELEASE OF ANY LIEN AGAINST REAL PROPERTY CREATED TO SECURE PERFORMANCE OF THE CONDITIONS OF THE BAIL BOND. UPON THE COURT ISSUING AN ORDER EXECUTING A FULL RECONVEYANCE OF TITLE, ISSUING A CERTIFICATE OF DISCHARGE, OR RELEASING THE LIEN, THE COMMISSIONER SHALL SEND A COPY OF THE LIEN RELEASE DOCUMENTS TO THE BONDING AGENT.

(E) IF THE COMMISSIONER RECEIVES, WITHIN THIRTY-FIVE DAYS AFTER MAILING THE COMPLAINT TO THE BONDING AGENT, A REPLY FROM THE BONDING AGENT CONTESTING THE FACTUAL BASIS OF THE PROPERTY OWNER'S COMPLAINT, THE COMMISSIONER SHALL INFORM THE PROPERTY

OWNER THAT THE PROPERTY OWNER MUST PETITION THE DISTRICT COURT TO RELEASE THE LIEN.

SECTION 4. Act subject to petition - effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 9, 2017, if adjournment sine die is on May 10, 2017); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless

approved by the people at the general election to be held in November 2018 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.



Kevin J. Grantham
PRESIDENT OF
THE SENATE



Crisanta Duran
SPEAKER OF THE HOUSE
OF REPRESENTATIVES




Effie Ameen
SECRETARY OF
THE SENATE



Marilyn Eddins
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

APPROVED

11:39 am 8/2/17



John W. Hickenlooper
GOVERNOR OF THE STATE OF COLORADO