

**First Regular Session
Seventy-first General Assembly
STATE OF COLORADO**

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

LLS NO. 17-0300.01 Jery Payne x2157

SENATE BILL 17-236

SENATE SPONSORSHIP

Coram,

HOUSE SPONSORSHIP

Weissman,

Senate Committees

Judiciary
Appropriations

House Committees

Judiciary
Appropriations

A BILL FOR AN ACT

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

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov/>.)

Sunset Process - Senate Judiciary Committee. Sections 1 and

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

HOUSE
Amended 2nd Reading
May 5, 2017

SENATE
3rd Reading Unamended
April 17, 2017

SENATE
2nd Reading Unamended
April 13, 2017

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

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

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

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

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5 is repealed, effective September 1, 2017.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

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

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

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

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

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

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

1 (3.5)(d) as follows:

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

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

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

25 (III) (A) IF A BONDING AGENT FAILS TO COMPLY WITH THIS
26 SUBSECTION (3.5)(d), THE PROPERTY OWNER MAY FILE A COMPLAINT WITH
27 THE COMMISSIONER REQUESTING THAT THE COMMISSIONER PETITION A

1 DISTRICT COURT TO FILE FOR RECORD A FULL RELEASE OF ANY LIEN
2 AGAINST REAL PROPERTY SECURING PERFORMANCE OF THE CONDITIONS OF
3 THE BAIL BOND.

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

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

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

27 (E) IF THE COMMISSIONER RECEIVES, WITHIN THIRTY-FIVE DAYS

1 AFTER MAILING THE COMPLAINT TO THE BONDING AGENT, A REPLY FROM
2 THE BONDING AGENT CONTESTING THE FACTUAL BASIS OF THE PROPERTY
3 OWNER'S COMPLAINT, THE COMMISSIONER SHALL INFORM THE PROPERTY
4 OWNER THAT THE PROPERTY OWNER MUST PETITION THE DISTRICT COURT
5 TO RELEASE THE LIEN. ■

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