

Second Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 14-0260.02 Christy Chase x2008

SENATE BILL 14-133

SENATE SPONSORSHIP

Newell, Guzman, Todd

HOUSE SPONSORSHIP

Melton, Fields, Hullinghorst

Senate Committees

Judiciary
Finance
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE REGULATION OF PRIVATE INVESTIGATORS BY THE**
102 **DEPARTMENT OF REGULATORY AGENCIES, AND, IN CONNECTION**
103 **THEREWITH, MAKING APPROPRIATIONS.**

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://www.leg.state.co.us/billsummaries>.)

Under the current "Private Investigators Voluntary Licensure Act" (voluntary act), a private investigator, at his or her option, may apply for a license from the division of professions and occupations (division) in the department of regulatory agencies and, upon satisfaction of the

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.

criteria for licensure, the director of the division is to issue a license to the private investigator. Only a person who obtains a license from the division may refer to himself or herself as a licensed private investigator, but no private investigator is required to be licensed by the division.

The bill repeals the voluntary licensure program and creates the "Private Investigators Licensure Act", which establishes a new mandatory licensure program under which all persons conducting private investigations in this state must obtain a license from the division starting June 1, 2015. The definition of "private investigation", as it was defined under the voluntary act, is expanded to include investigations pertaining to the following:

- ! The location or recovery of lost or stolen property;
- ! The affiliation, connection, or relationship of any person, firm, or corporation with any organization, society, or association or with any official, representative, or member of an organization, society, or association;
- ! The conduct, honesty, efficiency, loyalty, or activities of employees, persons seeking employment, agents, contractors, or subcontractors; and
- ! The identity or apprehension of persons suspected of crimes or misdemeanors.

Under the mandatory licensure program, an applicant may apply for one of 2 types of licenses as follows:

- ! Level I private investigator license, which requires the applicant to be at least 21 years of age, be lawfully present in the United States, and pass a jurisprudence examination to demonstrate his or her knowledge and understanding of laws and rules applicable to the practice; or
- ! Level II private investigator license, which requires the applicant to satisfy the requirements applicable to a level I license and have an amount of verifiable, applicable experience as determined by the director.

All private investigator licensees must pass a fingerprint-based background check.

The bill continues the exemptions authorized in the voluntary act and further exempts certain professionals, agencies, and activities from the act, including:

- ! Collection and consumer reporting agencies;
- ! Certified peace officers;
- ! Government-employed investigators;
- ! An accountant, certified fraud examiner, or employee or independent contractor of an accountant or fraud examiner who conducts forensic accounting, fraud investigations, or related analysis of financial transactions using information publicly available or supplied to the person;

1 PRIVACY;

2 (b) WHILE MOST PRIVATE INVESTIGATORS PERFORM
3 INVESTIGATIONS IN AN ETHICAL AND PROFESSIONAL MANNER, LACK OF
4 MANDATORY REGULATION OF PRIVATE INVESTIGATORS IN THIS STATE
5 PERMITS ANY PERSON, REGARDLESS OF HIS OR HER CRIMINAL HISTORY OR
6 KNOWLEDGE OF LAWS IMPACTING PRIVATE INVESTIGATIONS, TO PRESENT
7 HIMSELF OR HERSELF TO THE PUBLIC AS A PRIVATE INVESTIGATOR AND
8 PERFORM PRIVATE INVESTIGATIONS FOR OTHERS;

9 (c) IMPOSING MANDATORY REGULATION ON PRIVATE
10 INVESTIGATORS CONDUCTING PRIVATE INVESTIGATIONS IN THIS STATE IS
11 NECESSARY TO PROTECT CONSUMERS BY ENSURING PRIVATE
12 INVESTIGATORS HAVE THE APPROPRIATE KNOWLEDGE AND ABILITY TO
13 PERFORM INVESTIGATIONS IN AN ETHICAL AND PROFESSIONAL MANNER;

14 (d) BALANCING CONSUMER PROTECTION WITH THE INTERESTS OF
15 PRIVATE BUSINESSES AND INDIVIDUALS DESIRING TO ENGAGE IN THE
16 PRIVATE INVESTIGATION PROFESSION IS LIKEWISE IMPORTANT;

17 (e) IT IS IN THE INTERESTS OF CONSUMERS AND PRIVATE
18 INVESTIGATORS FOR THE STATE TO DEVELOP THE APPROPRIATE LEVEL OF
19 REGULATION OF PRIVATE INVESTIGATORS THAT PROTECTS CONSUMERS
20 WITHOUT CREATING UNNECESSARY BARRIERS TO ENTRY INTO THE
21 PROFESSION.

22 (2) THE GENERAL ASSEMBLY THEREFORE FINDS THAT IN ORDER TO
23 PROTECT THE CITIZENS OF THE STATE AND TO ENSURE THAT NEEDLESS
24 REQUIREMENTS ARE NOT IMPOSED THAT RESTRICT ACCESS INTO THE
25 PROFESSION, IT IS IMPORTANT TO CREATE THE LICENSURE PROGRAM
26 ESTABLISHED IN THIS ARTICLE TO REQUIRE PRIVATE INVESTIGATORS TO
27 OBTAIN A STATE-ISSUED LICENSE TO CONDUCT PRIVATE INVESTIGATIONS

1 IN THIS STATE.

2 **12-58.5-103. [Formerly 12-58.5-103] Definitions.** AS USED IN
3 THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

4 (1) "APPLICANT" MEANS A PRIVATE INVESTIGATOR WHO APPLIES
5 FOR AN INITIAL OR RENEWAL LICENSE PURSUANT TO THIS ARTICLE.

6 (2) "DIRECTOR" MEANS THE DIRECTOR OF THE DIVISION OR THE
7 DIRECTOR'S DESIGNEE.

8 (3) "DIVISION" MEANS THE DIVISION OF PROFESSIONS AND
9 OCCUPATIONS IN THE DEPARTMENT OF REGULATORY AGENCIES.

10 (4) "LICENSEE" MEANS A PRIVATE INVESTIGATOR LICENSED BY THE
11 DIRECTOR PURSUANT TO THIS ARTICLE AS A LEVEL I OR LEVEL II PRIVATE
12 INVESTIGATOR.

13 (5) "PRIVATE INVESTIGATION" MEANS UNDERTAKING AN
14 INVESTIGATION FOR THE PURPOSE OF OBTAINING INFORMATION FOR
15 OTHERS PERTAINING TO:

16 (a) A CRIME, WRONGFUL ACT, OR THREAT AGAINST THE UNITED
17 STATES OR ANY STATE OR TERRITORY OF THE UNITED STATES;

18 (b) THE IDENTITY, REPUTATION, CHARACTER, HABITS, CONDUCT,
19 BUSINESS OCCUPATION, HONESTY, INTEGRITY, CREDIBILITY, KNOWLEDGE,
20 TRUSTWORTHINESS, EFFICIENCY, LOYALTY, ACTIVITY, MOVEMENTS,
21 WHEREABOUTS, AFFILIATIONS, ASSOCIATIONS, OR TRANSACTIONS OF A
22 PERSON, GROUP OF PERSONS, OR ORGANIZATION;

23 (c) THE CREDIBILITY OF WITNESSES OR OTHER PERSONS;

24 (d) THE WHEREABOUTS OF MISSING PERSONS;

25 (e) THE DETERMINATION OF THE OWNERS OF ABANDONED
26 PROPERTY;

27 (f) THE CAUSES AND ORIGIN OF, OR RESPONSIBILITY FOR, LIBEL,

1 SLANDER, A LOSS, AN ACCIDENT, DAMAGE, OR AN INJURY TO A PERSON OR
2 TO REAL OR PERSONAL PROPERTY;

3 (g) THE BUSINESS OF SECURING EVIDENCE TO BE USED BEFORE AN
4 INVESTIGATORY COMMITTEE, BOARD OF AWARD OR ARBITRATION,
5 ADMINISTRATIVE BODY, OR OFFICER OR IN THE PREPARATION FOR OR IN A
6 CIVIL OR CRIMINAL TRIAL;

7 (h) THE BUSINESS OF LOCATING PERSONS WHO HAVE BECOME
8 DELINQUENT IN THEIR LAWFUL DEBTS, WHEN THE PRIVATE INVESTIGATOR
9 LOCATING THE DEBTOR IS HIRED BY AN INDIVIDUAL OR COLLECTION
10 AGENCY;

11 (i) THE LOCATION OR RECOVERY OF LOST OR STOLEN PROPERTY;

12 (j) THE AFFILIATION, CONNECTION, OR RELATIONSHIP OF ANY
13 PERSON, FIRM, OR CORPORATION WITH ANY ORGANIZATION, SOCIETY, OR
14 ASSOCIATION OR WITH ANY OFFICIAL, REPRESENTATIVE, OR MEMBER OF AN
15 ORGANIZATION, SOCIETY, OR ASSOCIATION;

16 (k) THE CONDUCT, HONESTY, EFFICIENCY, LOYALTY, OR ACTIVITIES
17 OF EMPLOYEES, PERSONS SEEKING EMPLOYMENT, AGENTS, CONTRACTORS,
18 OR SUBCONTRACTORS; OR

19 (l) THE IDENTITY _____ OF PERSONS SUSPECTED OF CRIMES OR
20 MISDEMEANORS.

21 (6) "PRIVATE INVESTIGATOR" OR "PRIVATE DETECTIVE" MEANS A
22 NATURAL PERSON WHO, FOR A FEE, REWARD, COMPENSATION, OR OTHER
23 CONSIDERATION, ENGAGES IN BUSINESS OR ACCEPTS EMPLOYMENT TO
24 CONDUCT PRIVATE INVESTIGATIONS.

25 **12-58.5-104. [Formerly 12-58.5-104] Licensure - title**
26 **protection - unauthorized practice - penalty - repeal.** (1) (a) BY JUNE
27 1, 2015, A PRIVATE INVESTIGATOR CONDUCTING PRIVATE INVESTIGATIONS

1 IN THIS STATE IS REQUIRED TO MEET THE QUALIFICATIONS SET FORTH IN
2 SECTION 12-58.5-106 AND TO OBTAIN A LICENSE FROM THE DIRECTOR.

3 (b) ONLY A PRIVATE INVESTIGATOR WHO OBTAINS A LICENSE
4 PURSUANT TO SECTION 12-58.5-106 MAY PRESENT HIMSELF OR HERSELF AS
5 OR USE THE TITLE OF A "LICENSED PRIVATE INVESTIGATOR", "PRIVATE
6 INVESTIGATOR", "LICENSED PRIVATE DETECTIVE", OR "PRIVATE
7 DETECTIVE".

8 (c) (I) IF A VOLUNTARY LICENSE IS ISSUED OR RENEWED ON OR
9 AFTER NOVEMBER 1, 2013, BUT PRIOR TO THE REPEAL AND RENACTMENT
10 OF THIS ARTICLE IN 2014, THE VOLUNTARY LICENSE EXPIRES ON THE
11 EFFECTIVE DATE OF THIS PARAGRAPH (c), AND THE DIVISION SHALL
12 REFUND THE PORTION OF THE VOLUNTARY LICENSE FEE PAID THAT IS
13 ATTRIBUTABLE TO THE LICENSE PERIOD FOLLOWING THE EFFECTIVE DATE
14 OF THIS PARAGRAPH (c).

15 (II) THIS PARAGRAPH (c) IS REPEALED, EFFECTIVE DECEMBER 31,
16 2014.

17 (2) ANY PERSON WHO CONDUCTS PRIVATE INVESTIGATIONS OR
18 PRESENTS HIMSELF OR HERSELF AS OR USES THE TITLE "PRIVATE
19 INVESTIGATOR", "PRIVATE DETECTIVE", "LICENSED PRIVATE DETECTIVE",
20 OR "LICENSED PRIVATE INVESTIGATOR" WITHOUT AN ACTIVE LICENSE
21 ISSUED UNDER THIS ARTICLE COMMITS A CLASS 2 MISDEMEANOR AND
22 SHALL BE PUNISHED AS PROVIDED IN SECTION 18-1.3-501, C.R.S., FOR THE
23 FIRST OFFENSE AND, FOR THE SECOND OR ANY SUBSEQUENT OFFENSE,
24 COMMITS A CLASS 1 MISDEMEANOR AND SHALL BE PUNISHED AS PROVIDED
25 IN SECTION 18-1.3-501, C.R.S.

26 **12-58.5-105. [Formerly 12-58.5-103 (6) (b)] Exemptions.**

27 (1) THIS ARTICLE DOES NOT APPLY TO:

1 (a) A COLLECTION AGENCY OR CONSUMER REPORTING AGENCY, AS
2 DEFINED IN SECTION 12-14-103 (2) AND (4.5), RESPECTIVELY;

3 (b) A PERSON CONDUCTING AN INVESTIGATION ON THE PERSON'S
4 OWN BEHALF, OR AN EMPLOYEE OF AN EMPLOYER CONDUCTING AN
5 INTERNAL INVESTIGATION ON BEHALF OF HIS OR HER EMPLOYER;

6 (c) AN ATTORNEY LICENSED TO PRACTICE LAW IN THIS STATE, AN
7 EMPLOYEE OF A LICENSED ATTORNEY , OR A PERSON UNDER CONTRACT TO
8 PERFORM PARALEGAL SERVICES FOR A LICENSED ATTORNEY;

9 (d) A CERTIFIED PEACE OFFICER OF A LAW ENFORCEMENT AGENCY
10 OPERATING IN HIS OR HER OFFICIAL CAPACITY;

11 (e) (I) A CERTIFIED PUBLIC ACCOUNTANT CERTIFIED OR
12 AUTHORIZED TO PROVIDE ACCOUNTING SERVICES IN THE STATE PURSUANT
13 TO ARTICLE 2 OF THIS TITLE;

14 (II) AN EMPLOYEE OF A CERTIFIED PUBLIC ACCOUNTANT;

15 (III) AN EMPLOYEE OR AFFILIATE OF AN ACCOUNTING FIRM
16 REGISTERED PURSUANT TO SECTION 12-2-117; OR

17 (IV) A PERSON WHO CONDUCTS FORENSIC ACCOUNTING, FRAUD
18 INVESTIGATIONS, OR OTHER RELATED ANALYSIS OF FINANCIAL
19 TRANSACTIONS BASED ON INFORMATION THAT IS EITHER PUBLICLY
20 AVAILABLE OR PROVIDED BY CLIENTS OR OTHER THIRD PARTIES AND WHO
21 IS:

22 (A) AN ACCOUNTANT OR PUBLIC ACCOUNTANT WHO IS NOT
23 REGULATED BY THE STATE;

24 (B) A CERTIFIED FRAUD EXAMINER; OR

25 (C) AN EMPLOYEE OR INDEPENDENT CONTRACTOR UNDER THE
26 GUIDANCE OF AN ACCOUNTANT, PUBLIC ACCOUNTANT, OR CERTIFIED
27 FRAUD EXAMINER;

1 (f) A PERSON WHO AGGREGATES PUBLIC RECORDS AND CHARGES
2 A FEE FOR ACCESSING THE AGGREGATED PUBLIC RECORDS DATA;

3 (g) A PERSON EMPLOYED BY AN INSURANCE COMPANY WHO IS
4 CONDUCTING CLAIMS ADJUSTMENT OR CLAIMS INVESTIGATION FOR THE
5 PURPOSES OF AN INSURANCE CLAIM;

6 (h) AN INVESTIGATOR EMPLOYED OR CONTRACTED BY A PUBLIC OR
7 GOVERNMENTAL AGENCY;

8 (i) A JOURNALIST OR GENEALOGIST;

9 (j) A PERSON SERVING PROCESS WITHIN THE STATE, PERFORMING
10 HIS OR HER DUTIES IN COMPLIANCE WITH THE COLORADO OR FEDERAL
11 RULES OF CIVIL PROCEDURE OR IN ACCORDANCE WITH APPLICABLE
12 FOREIGN STATE COURT RULES OR LAWS PERTAINING TO SERVICE OF
13 FOREIGN PROCESS WITHIN THIS STATE, OR PERFORMING ANY TASK
14 ASSOCIATED WITH EFFECTING SERVICE OF PROCESS, ALL OF WHICH
15 INCLUDES INQUIRIES RELATED TO EFFECTING PROPER SERVICE OF PROCESS
16 AND RESULTING SUPPORTING PROOFS, DECLARATIONS, AFFIDAVITS OF
17 SERVICE, OR DECLARATIONS OR AFFIDAVITS OF DUE DILIGENCE TO
18 SUPPORT ALTERNATIVE METHODS OF SERVICE OF PROCESS; EXCEPT THAT
19 A PROCESS SERVER WHO PERFORMS PRIVATE INVESTIGATIONS OUTSIDE THE
20 EFFORTS TO EFFECT SERVICE OF PROCESS IS NOT EXEMPT FROM THE
21 LICENSING REQUIREMENTS OF THIS ARTICLE AND MUST OBTAIN A LICENSE
22 UNDER THIS ARTICLE IN ORDER TO LAWFULLY PERFORM THOSE PRIVATE
23 INVESTIGATIONS;

24 (k) A PERSON ATTEMPTING TO RECOVER A FUGITIVE WHEN THAT
25 PERSON IS A BAIL BONDING AGENT OR CASH-BONDING AGENT QUALIFIED
26 TO WRITE BAIL BONDS PURSUANT TO ARTICLE 23 OF TITLE 10, C.R.S., OR
27 IS ACTING PURSUANT TO A CONTRACT WITH OR AT THE REQUEST OF A BAIL

1 BONDING AGENT OR CASH-BONDING AGENT WHO IS SO QUALIFIED;

2 (l) AN OWNER, EMPLOYEE, OR INDEPENDENT CONTRACTOR OF AN
3 AGENCY CONDUCTING AN INVESTIGATION TO DETERMINE THE ORIGIN AND
4 CAUSE OF A FIRE OR EXPLOSION;

5 (m) AN OWNER, EMPLOYEE, OR INDEPENDENT CONTRACTOR OF AN
6 AGENCY CONDUCTING AN INVESTIGATION FOR CAUSE ANALYSIS OR
7 FAILURE ANALYSIS WHERE THE INVESTIGATION IS CONDUCTED BY AN
8 ENGINEER LICENSED PURSUANT TO PART 1 OF ARTICLE 25 OF THIS TITLE
9 ACTING WITHIN HIS OR HER AREA OF EXPERTISE AND WITHIN THE SCOPE OF
10 THE PRACTICE OF ENGINEERING; OR

11 (n) ANY OTHER PERSON LICENSED UNDER THIS TITLE WHO IS
12 PRACTICING WITHIN THE SCOPE OF HIS OR HER PRACTICE AS DEFINED IN
13 THIS TITLE.

14 **12-58.5-106. [Formerly 12-58.5-105] Private investigator**
15 **licenses - qualifications - fees - renewal - rules.** (1) A PRIVATE
16 INVESTIGATOR APPLYING FOR A LICENSE PURSUANT TO THIS SECTION MUST
17 SATISFY THE REQUIREMENTS OF THE PARTICULAR LICENSE FOR WHICH
18 APPLICATION IS MADE. THE DIRECTOR MAY ISSUE THE FOLLOWING TYPES
19 OF LICENSES TO APPLICANTS WHO, UPON APPLICATION IN THE FORM AND
20 MANNER DETERMINED BY THE DIRECTOR, PAYMENT OF THE REQUIRED FEE,
21 AND SATISFACTION OF THE REQUIREMENTS OF SUBSECTION (2) OF THIS
22 SECTION, PROVIDE EVIDENCE SATISFACTORY TO THE DIRECTOR THAT THE
23 APPLICANT SATISFIES THE QUALIFICATIONS FOR THE PARTICULAR LICENSE
24 AS FOLLOWS:

25 (a) **Level I private investigator license.** AN APPLICANT FOR A
26 LEVEL I PRIVATE INVESTIGATOR LICENSE MUST:

27 (I) BE AT LEAST TWENTY-ONE YEARS OF AGE;

1 (II) BE LAWFULLY PRESENT IN THE UNITED STATES; AND
2 (III) DEMONSTRATE KNOWLEDGE AND UNDERSTANDING OF THE
3 LAWS AND RULES AFFECTING THE ETHICS AND ACTIVITIES OF PRIVATE
4 INVESTIGATORS IN THIS STATE BY PASSING A JURISPRUDENCE
5 EXAMINATION DEVELOPED AND APPROVED BY THE DIRECTOR.

6 (b) **Level II private investigator license.** AN APPLICANT FOR A
7 LEVEL II PRIVATE INVESTIGATOR LICENSE MUST:

8 (I) SATISFY THE REQUIREMENTS FOR A LEVEL I PRIVATE
9 INVESTIGATOR LICENSE; AND

10 (II) HAVE AN AMOUNT OF VERIFIABLE, APPLICABLE EXPERIENCE
11 AS A PRIVATE INVESTIGATOR OR EQUIVALENT EXPERIENCE WITH A LOCAL,
12 STATE, OR FEDERAL LAW ENFORCEMENT AGENCY, MILITARY POLICE, THE
13 FEDERAL BUREAU OF INVESTIGATION, OR OTHER EQUIVALENT EXPERIENCE.
14 THE DIRECTOR SHALL DETERMINE, BY RULE, THE AMOUNT AND TYPE OF
15 EXPERIENCE, WHICH MAY INCLUDE POSTSECONDARY EDUCATION,
16 COMPLETION OF APPROVED CERTIFICATE PROGRAMS, OR SUCH OTHER
17 EXPERIENCE THE DIRECTOR DEEMS APPROPRIATE. AN APPLICANT MUST
18 HAVE TO SATISFY THE REQUIREMENTS OF THIS SECTION.

19 (2) IN ADDITION TO THE REQUIREMENTS OF SUBSECTION (1) OF THIS
20 SECTION, EACH APPLICANT FOR A LEVEL I OR LEVEL II PRIVATE
21 INVESTIGATOR LICENSE MUST HAVE HIS OR HER FINGERPRINTS TAKEN BY
22 A LOCAL LAW ENFORCEMENT AGENCY FOR THE PURPOSE OF OBTAINING A
23 FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK. THE APPLICANT
24 IS REQUIRED TO SUBMIT PAYMENT BY CERTIFIED CHECK OR MONEY ORDER
25 FOR THE FINGERPRINTS AND FOR THE ACTUAL COSTS OF THE RECORD
26 CHECK AT THE TIME THE FINGERPRINTS ARE SUBMITTED TO THE
27 COLORADO BUREAU OF INVESTIGATION. UPON RECEIPT OF FINGERPRINTS

1 AND RECEIPT OF THE PAYMENT FOR COSTS, THE COLORADO BUREAU OF
2 INVESTIGATION SHALL CONDUCT A STATE AND NATIONAL
3 FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK UTILIZING
4 RECORDS OF THE COLORADO BUREAU OF INVESTIGATION AND THE
5 FEDERAL BUREAU OF INVESTIGATION AND SHALL FORWARD THE RESULTS
6 OF THE CRIMINAL HISTORY RECORD CHECK TO THE DIRECTOR.

7 (3) [Formerly 12-58.5-105 (4)] AN APPLICANT FOR LICENSURE
8 UNDER THIS SECTION SHALL PAY LICENSE, RENEWAL, AND REINSTATEMENT
9 FEES ESTABLISHED BY THE DIRECTOR PURSUANT TO SECTION 24-34-105,
10 C.R.S. A LICENSEE MUST RENEW HIS OR HER LICENSE IN ACCORDANCE
11 WITH A SCHEDULE ESTABLISHED BY THE DIRECTOR PURSUANT TO SECTION
12 24-34-102 (8), C.R.S. IF A LICENSEE FAILS TO RENEW HIS OR HER LICENSE
13 PURSUANT TO THE SCHEDULE ESTABLISHED BY THE DIRECTOR, THE
14 LICENSE EXPIRES, AND THE PERSON SHALL NOT CONDUCT PRIVATE
15 INVESTIGATIONS IN THIS STATE UNTIL THE PERSON PAYS THE APPROPRIATE
16 FEES TO REINSTATE THE LICENSE AND THE DIRECTOR REINSTATES THE
17 LICENSE. A PERSON WHOSE LICENSE EXPIRES AND WHO CONTINUES TO DO
18 BUSINESS AS A PRIVATE INVESTIGATOR IS SUBJECT TO THE PENALTIES
19 PROVIDED IN THIS ARTICLE AND SECTION 24-34-102 (8), C.R.S.

20 **12-58.5-107. Surety bond required - rules.** A LICENSEE SHALL
21 NOT ENGAGE IN PRIVATE INVESTIGATION ACTIVITIES UNLESS THE LICENSEE
22 POSTS AND MAINTAINS, OR IS COVERED BY, A SURETY BOND IN AN AMOUNT
23 DETERMINED BY THE DIRECTOR BY RULE.

24 **12-58.5-108. [Formerly 12-58.5-106] Director's powers and**
25 **duties - consult with stakeholders- rules.** (1) THE DIRECTOR MAY
26 CONSULT WITH PRIVATE INVESTIGATORS, LAW ENFORCEMENT, CONSUMER
27 GROUPS, VICTIM ADVOCACY GROUPS, CIVIL LIBERTIES GROUPS, AND OTHER

1 STAKEHOLDERS TO OBTAIN RECOMMENDATIONS AND FEEDBACK
2 CONCERNING:

- 3 (a) THE REGULATION OF PRIVATE INVESTIGATORS;
- 4 (b) PRIVACY LAWS AND ISSUES, NEW OR CHANGING TECHNOLOGY,
5 AND THE IMPACT OF NEW OR CHANGING TECHNOLOGY ON PRIVACY; AND
- 6 (c) ANY CONTINUING EDUCATION THAT MAY BE NECESSARY TO
7 ENSURE PRIVATE INVESTIGATORS MAINTAIN KNOWLEDGE AND
8 UNDERSTANDING OF LAWS AND RULES AFFECTING THE PRACTICE,
9 PARTICULARLY THOSE CONCERNING PRIVACY ISSUES AND NEW OR
10 CHANGING TECHNOLOGY. IF A STAKEHOLDER GROUP RECOMMENDS THAT
11 CONTINUING EDUCATION REQUIREMENTS BE IMPOSED, NOTHING IN THIS
12 PARAGRAPH (c) ABROGATES THE REQUIREMENTS OF SECTION 24-34-901,
13 C.R.S., AND THE DIRECTOR IS NOT AUTHORIZED TO IMPOSE, BY RULE OR
14 OTHERWISE, ANY CONTINUING EDUCATION REQUIREMENTS ABSENT AN
15 ENACTMENT OF A BILL IMPOSING CONTINUING EDUCATION REQUIREMENTS
16 OR AUTHORIZING THE DIRECTOR TO ESTABLISH CONTINUING EDUCATION
17 REQUIREMENTS.

18 (2) IN ADDITION TO ALL OTHER POWERS AND DUTIES CONFERRED
19 OR IMPOSED UPON THE DIRECTOR BY THIS ARTICLE OR BY ANY OTHER LAW,
20 THE DIRECTOR MAY:

21 (a) PROMULGATE RULES PURSUANT TO SECTION 24-4-103, C.R.S.,
22 TO IMPLEMENT THIS ARTICLE, INCLUDING RULES TO:

23 (I) ESTABLISH THE FORM AND MANNER FOR APPLYING FOR A
24 LICENSE UNDER THIS ARTICLE;

25 (II) SPECIFY THE REQUIREMENTS FOR SATISFYING THE EXPERIENCE
26 COMPONENT FOR OBTAINING A LEVEL II PRIVATE INVESTIGATOR LICENSE
27 PURSUANT SECTION 12-58.5-106 (1) (b);

1 (III) DEFINE GENERALLY ACCEPTED STANDARD OF THE PRACTICE
2 OF PRIVATE INVESTIGATIONS;

3 (IV) SET THE AMOUNT OF THE SURETY BOND REQUIRED BY
4 SECTION 12-58.5-107; AND

5 (V) ADDRESS ANY OTHER MATTERS DETERMINED NECESSARY BY
6 THE DIRECTOR TO IMPLEMENT THIS ARTICLE;

7 (b) DEVELOP AND CONDUCT OR CONTRACT FOR EXAMINATIONS AS
8 REQUIRED BY THIS ARTICLE;

9 (c) REVIEW AND GRANT OR DENY APPLICATIONS FOR NEW OR
10 RENEWAL LICENSES AS PROVIDED IN THIS ARTICLE; AND

11 (d) ESTABLISH FEES FOR THE ISSUANCE OF A NEW LICENSE AND FOR
12 EACH LICENSE RENEWAL PURSUANT TO SECTION 24-34-105, C.R.S.

13 **12-58.5-109. [Formerly 12-57.5-107] Disciplinary actions -**
14 **grounds for discipline - rules - cease-and-desist orders.** (1) THE
15 DIRECTOR MAY DENY, SUSPEND, OR REVOKE A LICENSE, PLACE AN
16 APPLICANT OR LICENSEE ON PROBATION, OR ISSUE A LETTER OF
17 ADMONITION TO AN APPLICANT OR LICENSEE IF THE APPLICANT OR
18 LICENSEE:

19 (a) VIOLATES ANY ORDER OF THE DIRECTOR, ANY PROVISION OF
20 THIS ARTICLE, OR ANY RULE ADOPTED UNDER THIS ARTICLE;

21 (b) FAILS TO MEET THE REQUIREMENTS OF SECTION 12-58.5-106 OR
22 USES FRAUD, MISREPRESENTATION, OR DECEIT IN APPLYING FOR OR
23 ATTEMPTING TO APPLY FOR A LICENSE;

24 (c) IS CONVICTED OF OR HAS ENTERED A PLEA OF GUILTY OR NOLO
25 CONTENDERE TO A FELONY; TO AN OFFENSE, THE UNDERLYING FACTUAL
26 BASIS OF WHICH HAS BEEN FOUND BY THE COURT TO INVOLVE UNLAWFUL
27 SEXUAL BEHAVIOR, DOMESTIC VIOLENCE, AS DEFINED IN SECTION

1 18-6-800.3 (1), C.R.S., OR STALKING, AS DEFINED IN SECTION 18-3-602,
2 C.R.S.; OR TO VIOLATION OF A PROTECTION ORDER, AS DEFINED IN
3 SECTION 18-6-803.5, C.R.S. IN CONSIDERING THE DISCIPLINARY ACTION,
4 THE DIRECTOR IS GOVERNED BY SECTION 24-5-101, C.R.S., IN
5 CONSIDERING THE CONVICTION OR PLEA.

6 (d) HAS FAILED TO REPORT TO THE DIRECTOR THE CONVICTION OF
7 OR PLEA TO A CRIME SPECIFIED IN PARAGRAPH (c) OF THIS SUBSECTION (1);

8 (e) ADVERTISES OR PRESENTS HIMSELF OR HERSELF AS A LICENSED
9 PRIVATE INVESTIGATOR WITHOUT HOLDING AN ACTIVE LICENSE;

10 (f) HAS BEEN SUBJECT TO DISCIPLINE RELATED TO THE PRACTICE
11 OF PRIVATE INVESTIGATIONS IN ANOTHER JURISDICTION. EVIDENCE OF
12 DISCIPLINARY ACTION IN ANOTHER JURISDICTION IS PRIMA FACIE EVIDENCE
13 FOR DENIAL OF A LICENSE OR OTHER DISCIPLINARY ACTION IF THE
14 VIOLATION WOULD BE GROUNDS FOR DISCIPLINARY ACTION IN THIS STATE.

15 (g) COMMITS AN ACT OR OMISSION THAT FAILS TO MEET
16 GENERALLY ACCEPTED STANDARDS OF THE PRACTICE OF PRIVATE
17 INVESTIGATIONS; OR

18 (h) FAILS TO COMPLY WITH SURETY BOND REQUIREMENTS AS
19 SPECIFIED IN SECTION 12-58.5-107.

20 (2) THE DIRECTOR MAY ADOPT RULES ESTABLISHING FINES THAT
21 HE OR SHE MAY IMPOSE ON A LICENSEE. THE RULES MUST INCLUDE A
22 GRADUATED FINE STRUCTURE, WITH A MAXIMUM ALLOWABLE FINE OF NOT
23 MORE THAN THREE THOUSAND DOLLARS PER VIOLATION. THE DIRECTOR
24 SHALL TRANSMIT ANY FINES HE OR SHE COLLECTS FROM A LICENSEE TO
25 THE STATE TREASURER FOR DEPOSIT IN THE GENERAL FUND.

26 (3) THE DIRECTOR NEED NOT FIND THAT THE ACTIONS THAT ARE
27 GROUNDS FOR DISCIPLINE WERE WILLFUL BUT MAY CONSIDER WHETHER

1 THE ACTIONS WERE WILLFUL WHEN DETERMINING THE NATURE OF
2 DISCIPLINARY SANCTIONS TO IMPOSE.

3 (4) (a) THE DIRECTOR MAY COMMENCE A PROCEEDING TO
4 DISCIPLINE A LICENSEE WHEN THE DIRECTOR HAS REASONABLE GROUNDS
5 TO BELIEVE THAT THE LICENSEE HAS COMMITTED AN ACT OR OMISSION
6 SPECIFIED IN THIS SECTION.

7 (b) IN ANY PROCEEDING HELD UNDER THIS SECTION, THE DIRECTOR
8 MAY ACCEPT AS EVIDENCE OF GROUNDS FOR DISCIPLINARY ACTION ANY
9 DISCIPLINARY ACTION TAKEN AGAINST A LICENSEE IN ANOTHER
10 JURISDICTION IF THE VIOLATION THAT PROMPTED THE DISCIPLINARY
11 ACTION IN THE OTHER JURISDICTION WOULD BE GROUNDS FOR
12 DISCIPLINARY ACTION UNDER THIS ARTICLE.

13 (5) THE DIRECTOR SHALL CONDUCT DISCIPLINARY PROCEEDINGS
14 IN ACCORDANCE WITH ARTICLE 4 OF TITLE 24, C.R.S. THE DIRECTOR OR AN
15 ADMINISTRATIVE LAW JUDGE APPOINTED BY THE DIRECTOR PURSUANT TO
16 PARAGRAPH (c) OF SUBSECTION (6) OF THIS SECTION SHALL CONDUCT THE
17 HEARING AND OPPORTUNITY FOR REVIEW PURSUANT TO THAT ARTICLE.
18 THE DIRECTOR MAY EXERCISE ALL POWERS AND DUTIES CONFERRED BY
19 THIS ARTICLE DURING THE DISCIPLINARY PROCEEDINGS.

20 (6) (a) THE DIRECTOR MAY REQUEST THAT THE ATTORNEY
21 GENERAL SEEK AN INJUNCTION IN ANY COURT OF COMPETENT
22 JURISDICTION TO ENJOIN A PERSON FROM COMMITTING AN ACT PROHIBITED
23 BY THIS ARTICLE. WHEN SEEKING AN INJUNCTION UNDER THIS PARAGRAPH
24 (a), THE ATTORNEY GENERAL IS NOT REQUIRED TO ALLEGE OR PROVE THE
25 INADEQUACY OF ANY REMEDY AT LAW OR THAT SUBSTANTIAL OR
26 IRREPARABLE DAMAGE IS LIKELY TO RESULT FROM A CONTINUED
27 VIOLATION OF THIS ARTICLE.

1 (b) (I) THE DIRECTOR MAY INVESTIGATE, HOLD HEARINGS, AND
2 GATHER EVIDENCE IN ALL MATTERS RELATED TO THE EXERCISE AND
3 PERFORMANCE OF THE POWERS AND DUTIES OF THE DIRECTOR.

4 (II) IN ANY HEARING OR INVESTIGATION INSTITUTED PURSUANT
5 TO THIS SECTION, THE DIRECTOR OR AN ADMINISTRATIVE LAW JUDGE
6 APPOINTED PURSUANT TO PARAGRAPH (c) OF THIS SUBSECTION (6) MAY
7 ADMINISTER OATHS, TAKE AFFIRMATIONS OF WITNESSES, AND ISSUE
8 SUBPOENAS COMPELLING THE ATTENDANCE OF WITNESSES AND THE
9 PRODUCTION OF ALL RELEVANT RECORDS, PAPERS, BOOKS, DOCUMENTARY
10 EVIDENCE, AND MATERIALS IN ANY HEARING, INVESTIGATION,
11 ACCUSATION, OR OTHER MATTER BEFORE THE DIRECTOR OR AN
12 ADMINISTRATIVE LAW JUDGE.

13 (III) UPON FAILURE OF ANY WITNESS OR LICENSEE TO COMPLY
14 WITH A SUBPOENA OR PROCESS, THE DISTRICT COURT OF THE COUNTY IN
15 WHICH THE SUBPOENAED PERSON OR LICENSEE RESIDES OR CONDUCTS
16 BUSINESS, UPON APPLICATION BY THE DIRECTOR WITH NOTICE TO THE
17 SUBPOENAED PERSON OR LICENSEE, MAY ISSUE TO THE PERSON OR
18 LICENSEE AN ORDER REQUIRING THE PERSON OR LICENSEE TO APPEAR
19 BEFORE THE DIRECTOR; TO PRODUCE THE RELEVANT PAPERS, BOOKS,
20 RECORDS, DOCUMENTARY EVIDENCE, OR MATERIALS IF SO ORDERED; OR
21 TO GIVE EVIDENCE TOUCHING THE MATTER UNDER INVESTIGATION OR IN
22 QUESTION. IF THE PERSON OR LICENSEE FAILS TO OBEY THE ORDER OF THE
23 COURT, THE COURT MAY HOLD THE PERSON OR LICENSEE IN CONTEMPT OF
24 COURT.

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

1 TO THE DIRECTOR.

2 (7) (a) THE DIRECTOR, THE DIRECTOR'S STAFF, A PERSON ACTING
3 AS A WITNESS OR CONSULTANT TO THE DIRECTOR, A WITNESS TESTIFYING
4 IN A PROCEEDING AUTHORIZED UNDER THIS ARTICLE, OR A PERSON WHO
5 LODGES A COMPLAINT PURSUANT TO THIS ARTICLE IS IMMUNE FROM
6 LIABILITY IN A CIVIL ACTION BROUGHT AGAINST HIM OR HER FOR ACTS
7 OCCURRING WHILE ACTING IN HIS OR HER CAPACITY AS DIRECTOR, STAFF,
8 CONSULTANT, OR WITNESS, RESPECTIVELY, IF THE INDIVIDUAL WAS ACTING
9 IN GOOD FAITH WITHIN THE SCOPE OF HIS OR HER RESPECTIVE CAPACITY,
10 MADE A REASONABLE EFFORT TO OBTAIN THE FACTS OF THE MATTER AS TO
11 WHICH HE OR SHE ACTED, AND ACTED IN THE REASONABLE BELIEF THAT
12 THE ACTION HE OR SHE TOOK WAS WARRANTED BY THE FACTS.

13 (b) A PERSON PARTICIPATING, IN GOOD FAITH, IN MAKING A
14 COMPLAINT OR REPORT OR IN AN INVESTIGATIVE OR ADMINISTRATIVE
15 PROCEEDING PURSUANT TO THIS SECTION IS IMMUNE FROM ANY CIVIL OR
16 CRIMINAL LIABILITY THAT OTHERWISE MIGHT RESULT BY REASON OF THE
17 PARTICIPATION.

18 (8) A FINAL ACTION OF THE DIRECTOR IS SUBJECT TO JUDICIAL
19 REVIEW BY THE COURT OF APPEALS PURSUANT TO SECTION 24-4-106 (11),
20 C.R.S. THE DIRECTOR MAY INSTITUTE A JUDICIAL PROCEEDING IN
21 ACCORDANCE WITH SECTION 24-4-106, C.R.S., TO ENFORCE AN ORDER OF
22 THE DIRECTOR.

23 (9) WHEN A COMPLAINT OR AN INVESTIGATION DISCLOSES AN
24 INSTANCE OF MISCONDUCT THAT, IN THE OPINION OF THE DIRECTOR,
25 WARRANTS FORMAL ACTION, THE DIRECTOR SHALL NOT RESOLVE THE
26 COMPLAINT BY A DEFERRED SETTLEMENT, ACTION, JUDGMENT, OR
27 PROSECUTION.

1 (10) (a) IF IT APPEARS TO THE DIRECTOR, BASED UPON CREDIBLE
2 EVIDENCE AS PRESENTED IN A WRITTEN COMPLAINT, THAT A LICENSEE IS
3 ACTING IN A MANNER THAT IS AN IMMINENT THREAT TO THE HEALTH AND
4 SAFETY OF THE PUBLIC, OR IF A PERSON IS CONDUCTING PRIVATE
5 INVESTIGATIONS OR PRESENTING HIMSELF OR HERSELF AS OR IS USING THE
6 TITLE "PRIVATE INVESTIGATOR", "PRIVATE DETECTIVE", OR "LICENSED
7 PRIVATE INVESTIGATOR" WITHOUT HAVING OBTAINED A LICENSE, THE
8 DIRECTOR MAY ISSUE AN ORDER TO CEASE AND DESIST THE ACTIVITY. THE
9 DIRECTOR SHALL SET FORTH IN THE ORDER THE STATUTES AND RULES
10 ALLEGED TO HAVE BEEN VIOLATED, THE FACTS ALLEGED TO HAVE
11 CONSTITUTED THE VIOLATION, AND THE REQUIREMENT THAT ALL
12 UNLAWFUL ACTS OR UNLICENSED PRACTICES IMMEDIATELY CEASE.

13 (b) WITHIN TEN DAYS AFTER SERVICE OF THE ORDER TO CEASE AND
14 DESIST PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (10), THE
15 RESPONDENT MAY REQUEST A HEARING ON THE QUESTION OF WHETHER
16 ACTS OR PRACTICES IN VIOLATION OF THIS ARTICLE HAVE OCCURRED. THE
17 DIRECTOR OR ADMINISTRATIVE LAW JUDGE, AS APPLICABLE, SHALL
18 CONDUCT THE HEARING PURSUANT TO SECTIONS 24-4-104 AND 24-4-105,
19 C.R.S.

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

27 (b) THE DIRECTOR SHALL PROMPTLY NOTIFY THE PERSON AGAINST

1 WHOM AN ORDER TO SHOW CAUSE HAS BEEN ISSUED PURSUANT TO
2 PARAGRAPH (a) OF THIS SUBSECTION (11) OF THE ISSUANCE OF THE ORDER
3 AND SHALL INCLUDE IN THE NOTICE A COPY OF THE ORDER, THE FACTUAL
4 AND LEGAL BASIS FOR THE ORDER, AND THE DATE SET BY THE DIRECTOR
5 FOR A HEARING ON THE ORDER. THE DIRECTOR MAY SERVE THE NOTICE ON
6 THE PERSON AGAINST WHOM THE ORDER HAS BEEN ISSUED BY PERSONAL
7 SERVICE, BY FIRST-CLASS, POSTAGE-PREPAID UNITED STATES MAIL, OR IN
8 ANOTHER MANNER AS MAY BE PRACTICABLE. PERSONAL SERVICE OR
9 MAILING OF AN ORDER OR DOCUMENT PURSUANT TO THIS PARAGRAPH (b)
10 CONSTITUTES NOTICE OF THE ORDER TO THE PERSON.

11 (c) (I) THE DIRECTOR SHALL HOLD THE HEARING ON AN ORDER TO
12 SHOW CAUSE NO SOONER THAN TEN AND NO LATER THAN FORTY-FIVE
13 CALENDAR DAYS AFTER THE DATE OF TRANSMISSION OR SERVICE OF THE
14 NOTIFICATION BY THE DIRECTOR AS PROVIDED IN PARAGRAPH (b) OF THIS
15 SUBSECTION (11). THE DIRECTOR MAY CONTINUE THE HEARING BY
16 AGREEMENT OF ALL PARTIES BASED UPON THE COMPLEXITY OF THE
17 MATTER, NUMBER OF PARTIES TO THE MATTER, AND LEGAL ISSUES
18 PRESENTED IN THE MATTER, BUT IN NO EVENT SHALL THE DIRECTOR HOLD
19 THE HEARING LATER THAN SIXTY CALENDAR DAYS AFTER THE DATE OF
20 TRANSMISSION OR SERVICE OF THE NOTIFICATION.

21 (II) IF A PERSON AGAINST WHOM AN ORDER TO SHOW CAUSE HAS
22 BEEN ISSUED PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (11) DOES
23 NOT APPEAR AT THE HEARING, THE DIRECTOR MAY PRESENT EVIDENCE
24 THAT NOTIFICATION WAS PROPERLY SENT OR SERVED ON THE PERSON
25 PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION (11) AND SUCH OTHER
26 EVIDENCE RELATED TO THE MATTER AS THE DIRECTOR DEEMS
27 APPROPRIATE. THE DIRECTOR MUST ISSUE THE ORDER WITHIN TEN DAYS

1 AFTER THE DIRECTOR'S DETERMINATION RELATED TO REASONABLE
2 ATTEMPTS TO NOTIFY THE RESPONDENT, AND THE ORDER BECOMES FINAL
3 AS TO THAT PERSON BY OPERATION OF LAW. THE HEARING MUST BE
4 CONDUCTED PURSUANT TO SECTIONS 24-4-104 AND 24-4-105, C.R.S.

5 (III) IF THE DIRECTOR REASONABLY FINDS THAT THE PERSON
6 AGAINST WHOM THE ORDER TO SHOW CAUSE WAS ISSUED IS ACTING OR
7 HAS ACTED WITHOUT THE REQUIRED LICENSE OR HAS OR IS ABOUT TO
8 ENGAGE IN ACTS OR PRACTICES CONSTITUTING VIOLATIONS OF THIS
9 ARTICLE, THE DIRECTOR MAY ISSUE A FINAL CEASE-AND-DESIST ORDER
10 DIRECTING THE PERSON TO CEASE AND DESIST FROM FURTHER UNLAWFUL
11 ACTS OR UNLICENSED PRACTICES.

12 (IV) THE DIRECTOR SHALL PROVIDE NOTICE, IN THE MANNER SET
13 FORTH IN PARAGRAPH (b) OF THIS SUBSECTION (11), OF THE FINAL
14 CEASE-AND-DESIST ORDER WITHIN TEN CALENDAR DAYS AFTER THE
15 HEARING CONDUCTED PURSUANT TO THIS PARAGRAPH (c) TO EACH PERSON
16 AGAINST WHOM THE FINAL ORDER HAS BEEN ISSUED. THE FINAL ORDER
17 ISSUED PURSUANT TO SUBPARAGRAPH (III) OF THIS PARAGRAPH (c) IS
18 EFFECTIVE WHEN ISSUED AND IS A FINAL ORDER FOR PURPOSES OF JUDICIAL
19 REVIEW.

20 (12) IF IT APPEARS TO THE DIRECTOR, BASED UPON CREDIBLE
21 EVIDENCE PRESENTED TO THE DIRECTOR, THAT A PERSON HAS ENGAGED OR
22 IS ABOUT TO ENGAGE IN AN ACT OR PRACTICE CONSTITUTING A VIOLATION
23 OF THIS ARTICLE, A RULE PROMULGATED PURSUANT TO THIS ARTICLE, OR
24 AN ORDER ISSUED PURSUANT TO THIS ARTICLE, OR ANY OTHER ACT OR
25 PRACTICE CONSTITUTING GROUNDS FOR ADMINISTRATIVE SANCTION
26 PURSUANT TO THIS ARTICLE, THE DIRECTOR MAY ENTER INTO A
27 STIPULATION WITH THE PERSON.

1 (13) IF A PERSON FAILS TO COMPLY WITH A FINAL
2 CEASE-AND-DESIST ORDER OR A STIPULATION, THE DIRECTOR MAY
3 REQUEST THE ATTORNEY GENERAL OR THE DISTRICT ATTORNEY FOR THE
4 JUDICIAL DISTRICT IN WHICH THE ALLEGED VIOLATION EXISTS TO BRING,
5 AND IF SO REQUESTED THE ATTORNEY SHALL BRING, SUIT FOR A
6 TEMPORARY RESTRAINING ORDER AND FOR INJUNCTIVE RELIEF TO
7 PREVENT ANY FURTHER OR CONTINUED VIOLATION OF THE FINAL ORDER.

8 (14) A PERSON AGGRIEVED BY THE FINAL CEASE-AND-DESIST
9 ORDER MAY SEEK JUDICIAL REVIEW OF THE DIRECTOR'S DETERMINATION
10 OR OF THE DIRECTOR'S FINAL ORDER AS PROVIDED IN SUBSECTION (8) OF
11 THIS SECTION.

12 (15) (a) WHEN A COMPLAINT OR INVESTIGATION DISCLOSES AN
13 INSTANCE OF MISCONDUCT THAT, IN THE OPINION OF THE DIRECTOR, DOES
14 NOT WARRANT FORMAL ACTION BY THE DIRECTOR BUT THAT SHOULD NOT
15 BE DISMISSED AS BEING WITHOUT MERIT, THE DIRECTOR MAY ISSUE AND
16 SEND THE LICENSEE A LETTER OF ADMONITION.

17 (b) WHEN THE DIRECTOR SENDS A LETTER OF ADMONITION TO A
18 LICENSEE, THE DIRECTOR SHALL ADVISE THE LICENSEE THAT HE OR SHE
19 HAS THE RIGHT TO REQUEST IN WRITING, WITHIN TWENTY DAYS AFTER
20 RECEIPT OF THE LETTER, THAT FORMAL DISCIPLINARY PROCEEDINGS BE
21 INITIATED TO ADJUDICATE THE PROPRIETY OF THE CONDUCT UPON WHICH
22 THE LETTER OF ADMONITION IS BASED.

23 (c) IF THE LICENSEE TIMELY REQUESTS ADJUDICATION, THE
24 DIRECTOR SHALL VACATE THE LETTER OF ADMONITION AND PROCESS THE
25 MATTER BY MEANS OF FORMAL DISCIPLINARY PROCEEDINGS.

26 (16) WHEN A COMPLAINT OR INVESTIGATION DISCLOSES AN
27 INSTANCE OF CONDUCT THAT DOES NOT WARRANT FORMAL ACTION BY THE

1 DIRECTOR AND, IN THE OPINION OF THE DIRECTOR, THE COMPLAINT
2 SHOULD BE DISMISSED, BUT THE DIRECTOR HAS NOTICED INDICATIONS OF
3 POSSIBLE ERRANT CONDUCT BY THE LICENSEE THAT COULD LEAD TO
4 SERIOUS CONSEQUENCES IF NOT CORRECTED, THE DIRECTOR MAY SEND
5 THE LICENSEE A CONFIDENTIAL LETTER OF CONCERN.

6 **12-58.5-110. [Formerly 12-58.5-108] Revocation.** A PERSON
7 WHOSE LICENSE IS REVOKED OR WHO SURRENDERS A LICENSE TO AVOID
8 DISCIPLINE IS INELIGIBLE TO APPLY FOR A LICENSE UNDER THIS ARTICLE
9 UNTIL AT LEAST TWO YEARS AFTER THE DATE OF REVOCATION OR
10 SURRENDER OF THE LICENSE. THE DIRECTOR SHALL TREAT A SUBSEQUENT
11 APPLICATION FOR LICENSURE FROM A PERSON WHOSE LICENSE WAS
12 REVOKED OR SURRENDERED AS AN APPLICATION FOR A NEW LICENSE
13 UNDER THIS ARTICLE.

14 **12-58.5-111. [Formerly 12-58.5-109] Fees - cash fund.** THE
15 DIVISION SHALL TRANSMIT ALL FEES COLLECTED PURSUANT TO THIS
16 ARTICLE TO THE STATE TREASURER, WHO SHALL CREDIT THE FEES TO THE
17 DIVISION OF PROFESSIONS AND OCCUPATIONS CASH FUND CREATED IN
18 SECTION 24-34-105 (2) (b), C.R.S. THE GENERAL ASSEMBLY SHALL MAKE
19 ANNUAL APPROPRIATIONS FROM THE DIVISION OF PROFESSIONS AND
20 OCCUPATIONS CASH FUND FOR EXPENDITURES OF THE DIVISION INCURRED
21 IN THE PERFORMANCE OF ITS DUTIES UNDER THIS ARTICLE.

22 **12-58.5-112. [Formerly 12-58.5-108] Repeal of article - review**
23 **of functions.** THIS ARTICLE IS REPEALED, EFFECTIVE SEPTEMBER 1, 2020.
24 PRIOR TO THE REPEAL, THE DEPARTMENT OF REGULATORY AGENCIES
25 SHALL REVIEW THE POWERS, DUTIES, AND FUNCTIONS OF THE DIRECTOR
26 REGARDING THE LICENSURE OF PRIVATE INVESTIGATORS UNDER THIS
27 ARTICLE AS PROVIDED IN SECTION 24-34-104, C.R.S.

1 **SECTION 2.** In Colorado Revised Statutes, 24-34-104, **repeal**
2 (47.5) (i); and **add** (51.5) (h) as follows:

3 **24-34-104. General assembly review of regulatory agencies**
4 **and functions for termination, continuation, or reestablishment.**

5 (47.5) The following agencies, functions, or both, shall terminate on
6 September 1, 2016:

7 (i) ~~The voluntary licensing of private investigators by the director~~
8 ~~of the division of professions and occupations in accordance with article~~
9 ~~58.5 of title 12, C.R.S.~~

10 (51.5) The following agencies, functions, or both, terminate on
11 September 1, 2020:

12 (h) THE LICENSING OF PRIVATE INVESTIGATORS BY THE DIRECTOR
13 OF THE DIVISION OF PROFESSIONS AND OCCUPATIONS IN ACCORDANCE
14 WITH ARTICLE 58.5 OF TITLE 12, C.R.S.

15 **SECTION 3.** In Colorado Revised Statutes, 24-72-204, **amend**
16 (7) (b) (VIII) as follows:

17 **24-72-204. Allowance or denial of inspection - grounds -**
18 **procedure - appeal - definitions.** (7) (b) Notwithstanding paragraph (a)
19 of this subsection (7), only upon obtaining a completed requestor release
20 form under section 42-1-206 (1) (b), C.R.S., the department may allow
21 inspection of the information referred to in paragraph (a) of this
22 subsection (7) for the following uses:

23 (VIII) For use by any private investigator licensed pursuant to
24 ~~section 12-58.5-105~~ SECTION 12-58.5-106, C.R.S., licensed private
25 investigative agency, or licensed security service for any purpose
26 permitted under this paragraph (b);

27 **SECTION 4. Appropriation.** (1) In addition to any other

1 appropriation, there is hereby appropriated, out of any moneys in the
2 division of professions and occupations cash fund created in section
3 24-34-105 (2) (b) (I), Colorado Revised Statutes, not otherwise
4 appropriated, to the department of regulatory agencies, for the fiscal year
5 beginning July 1, 2014, the sum of \$28,300 and 0.3 FTE, or so much
6 thereof as may be necessary, to be allocated for the implementation of this
7 act as follows:

8 (a) \$19,243 and 0.3 FTE to the division of professions and
9 occupations for personal services; and

10 (b) \$9,057 to the executive director's office and administrative
11 services for the purchase of legal services.

12 (2) In addition to any other appropriation, there is hereby
13 appropriated to the department of law, for the fiscal year beginning July
14 1, 2014, the sum of \$9,057, or so much thereof as may be necessary, for
15 the provision of legal services for the department of regulatory agencies
16 related to the implementation of this act. Said sum is from reappropriated
17 funds received from the department of regulatory agencies out of the
18 appropriation made in paragraph (b) of subsection (1) of this section.

19 (3) In addition to any other appropriation, there is hereby
20 appropriated, out of any moneys in the Colorado bureau of investigation
21 identification unit fund created in section 24-33.5-426, Colorado Revised
22 Statutes, not otherwise appropriated, to the department of public safety,
23 for allocation to the Colorado bureau of investigation, for the Colorado
24 crime information center, identification, for the fiscal year beginning July
25 1, 2014, the sum of \$10,544, or so much thereof as may be necessary for
26 fingerprint-based criminal history checks related to the implementation
27 of this act.

1 **SECTION 5. Safety clause.** The general assembly hereby finds,
2 determines, and declares that this act is necessary for the immediate
3 preservation of the public peace, health, and safety.