

**Second Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO**

ENGROSSED

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

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.

SENATE
Amended 2nd Reading
April 16, 2014

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;

- ! A person serving process in accordance with rules of civil procedure or performing tasks associated with effecting service of process;
- ! A licensed attorney, an employee of a licensed attorney, or a person providing paralegal services under contract with a licensed attorney;
- ! A person recovering a fugitive; and
- ! An agency, and its owner, employee, or independent contractor acting for the agency, that is conducting an investigation of a fire or explosion or an engineer-led investigation for cause analysis and failure analysis.

Licensees are required to post a surety bond in an amount determined by the director by rule. The bill establishes grounds for disciplining licensees, the methods of discipline available to the director, and disciplinary procedure.

The director is authorized to consult with stakeholders to obtain feedback and recommendations concerning the regulation of private investigators and the impacts of new technology on privacy. The director is also granted rule-making authority to implement and administer the act.

The "Private Investigators Licensure Act" and the functions of the director under the act are subject to repeal on September 1, 2020, and prior to the repeal, the department of regulatory agencies is required to conduct a sunset review of the act.

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

2 **SECTION 1.** In Colorado Revised Statutes, **repeal and reenact,**
3 **with amendments,** article 58.5 of title 12 as follows:

4 **ARTICLE 58.5**

5 **Private Investigators**

6 **12-58.5-101. [Formerly 12-58.5-101] Short title.** THIS ARTICLE
7 SHALL BE KNOWN AND MAY BE CITED AS THE "PRIVATE INVESTIGATORS
8 LICENSURE ACT".

9 **12-58.5-102. [Formerly 12-58.5-102] Legislative declaration.**

10 (1) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT:

11 (a) PRIVATE INVESTIGATORS OFTEN PERFORM INVESTIGATIONS OF
12 A SENSITIVE NATURE, DELVING INTO MATTERS IMPACTING PERSONAL

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 (3) THE GENERAL ASSEMBLY FURTHER FINDS THAT:

3 (a) THE NUMBER OF PRIVATE INVESTIGATORS LICENSED UNDER THE
4 "PRIVATE INVESTIGATORS VOLUNTARY LICENSURE ACT", ENACTED BY
5 HOUSE BILL 11-1195 IN 2011, WHICH ALLOWS PRIVATE INVESTIGATORS
6 THE OPTION TO OBTAIN A STATE-ISSUED LICENSE, IS INSUFFICIENT TO
7 JUSTIFY CONTINUING THE VOLUNTARY PROGRAM;

8 (b) THE VOLUNTARY LICENSURE PROGRAM IS CURRENTLY
9 OPERATING AT A LOSS AS THE LICENSE FEES BASED ON THE NUMBER OF
10 LICENSEES ARE INADEQUATE TO FULLY FUND THE PROGRAM, AND
11 INCREASING THE FEES TO A LEVEL THAT WOULD SUSTAIN THE PROGRAM
12 RESULTS IN UNAFFORDABLE FEES, AND CONSEQUENTLY, FEWER AND
13 FEWER PRIVATE INVESTIGATORS ARE PARTICIPATING IN THE VOLUNTARY
14 PROGRAM;

15 (c) WHILE THE VOLUNTARY PROGRAM IS UNSUSTAINABLE, IT IS
16 IMPORTANT TO PROTECT CONSUMERS BY ESTABLISHING MINIMUM
17 STANDARDS FOR AND REQUIREMENTS FOR LICENSURE OF PRIVATE
18 INVESTIGATORS;

19 (d) BY REPEALING THE VOLUNTARY PROGRAM AND REPLACING IT
20 WITH A MANDATORY LICENSURE PROGRAM, THE INTENT IS TO CONTINUE
21 REGULATING PRIVATE INVESTIGATORS OPERATING IN THIS STATE TO
22 ENSURE PRIVATE INVESTIGATORS ARE ENGAGING IN THE PROFESSION IN AN
23 ETHICAL MANNER AND HAVE THE APPROPRIATE KNOWLEDGE AND ABILITY
24 TO PERFORM INVESTIGATIONS;

25 (e) AS THE MANDATORY PROGRAM WILL REGULATE THE SAME
26 TYPES OF PROFESSIONALS WHO COULD HAVE CHOSEN TO BE REGULATED
27 UNDER THE VOLUNTARY PROGRAM, IT IS APPROPRIATE THAT PRIVATE

1 INVESTIGATORS LICENSED UNDER THE MANDATORY PROGRAM SHARE IN
2 THE REPAYMENT OF THE DEFICIT THAT RESULTED FROM THE VOLUNTARY
3 PROGRAM; AND

4 (f) TO AVOID COST-PROHIBITIVE LICENSE FEES, IT IS THE INTENT OF
5 THE GENERAL ASSEMBLY FOR THE DIVISION TO SPREAD THE REPAYMENT
6 OF THE DEFICIT GENERATED BY THE VOLUNTARY PROGRAM OVER THE LIFE
7 OF THE NEW MANDATORY PROGRAM, WHICH IS SCHEDULED TO REPEAL ON
8 SEPTEMBER 1, 2020.

9 **12-58.5-103. [Formerly 12-58.5-103] Definitions.** AS USED IN
10 THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

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

13 (2) "DIRECTOR" MEANS THE DIRECTOR OF THE DIVISION OR THE
14 DIRECTOR'S DESIGNEE.

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

17 (4) "LICENSEE" MEANS A PRIVATE INVESTIGATOR LICENSED BY THE
18 DIRECTOR PURSUANT TO THIS ARTICLE AS A LEVEL I OR LEVEL II PRIVATE
19 INVESTIGATOR.

20 (5) "PRIVATE INVESTIGATION" MEANS UNDERTAKING AN
21 INVESTIGATION FOR THE PURPOSE OF OBTAINING INFORMATION FOR
22 OTHERS PERTAINING TO:

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

25 (b) THE IDENTITY, REPUTATION, CHARACTER, HABITS, CONDUCT,
26 BUSINESS OCCUPATION, HONESTY, INTEGRITY, CREDIBILITY, KNOWLEDGE,
27 TRUSTWORTHINESS, EFFICIENCY, LOYALTY, ACTIVITY, MOVEMENTS,

1 WHEREABOUTS, AFFILIATIONS, ASSOCIATIONS, OR TRANSACTIONS OF A
2 PERSON, GROUP OF PERSONS, OR ORGANIZATION;

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

4 (d) THE WHEREABOUTS OF MISSING PERSONS;

5 (e) THE DETERMINATION OF THE OWNERS OF ABANDONED
6 PROPERTY;

7 (f) THE CAUSES AND ORIGIN OF, OR RESPONSIBILITY FOR, LIBEL,
8 SLANDER, A LOSS, AN ACCIDENT, DAMAGE, OR AN INJURY TO A PERSON OR
9 TO REAL OR PERSONAL PROPERTY;

10 (g) THE BUSINESS OF SECURING EVIDENCE TO BE USED BEFORE AN
11 INVESTIGATORY COMMITTEE, BOARD OF AWARD OR ARBITRATION,
12 ADMINISTRATIVE BODY, OR OFFICER OR IN THE PREPARATION FOR OR IN A
13 CIVIL OR CRIMINAL TRIAL;

14 (h) THE BUSINESS OF LOCATING PERSONS WHO HAVE BECOME
15 DELINQUENT IN THEIR LAWFUL DEBTS, WHEN THE PRIVATE INVESTIGATOR
16 LOCATING THE DEBTOR IS HIRED BY AN INDIVIDUAL OR COLLECTION
17 AGENCY;

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

19 (j) THE AFFILIATION, CONNECTION, OR RELATIONSHIP OF ANY
20 PERSON, FIRM, OR CORPORATION WITH ANY ORGANIZATION, SOCIETY, OR
21 ASSOCIATION OR WITH ANY OFFICIAL, REPRESENTATIVE, OR MEMBER OF AN
22 ORGANIZATION, SOCIETY, OR ASSOCIATION;

23 (k) THE CONDUCT, HONESTY, EFFICIENCY, LOYALTY, OR ACTIVITIES
24 OF EMPLOYEES, PERSONS SEEKING EMPLOYMENT, AGENTS, CONTRACTORS,
25 OR SUBCONTRACTORS; OR

26 (l) THE IDENTITY _____ OF PERSONS SUSPECTED OF CRIMES OR
27 MISDEMEANORS.

1 (6) "PRIVATE INVESTIGATOR" OR "PRIVATE DETECTIVE" MEANS A
2 NATURAL PERSON WHO, FOR A FEE, REWARD, COMPENSATION, OR OTHER
3 CONSIDERATION, ENGAGES IN BUSINESS OR ACCEPTS EMPLOYMENT TO
4 CONDUCT PRIVATE INVESTIGATIONS.

5 **12-58.5-104. [Formerly 12-58.5-104] Licensure - title**
6 **protection - unauthorized practice - penalty - repeal.** (1) (a) BY JUNE
7 1, 2015, A PRIVATE INVESTIGATOR CONDUCTING PRIVATE INVESTIGATIONS
8 IN THIS STATE IS REQUIRED TO MEET THE QUALIFICATIONS SET FORTH IN
9 SECTION 12-58.5-106 AND TO OBTAIN A LICENSE FROM THE DIRECTOR.

10 (b) ONLY A PRIVATE INVESTIGATOR WHO OBTAINS A LICENSE
11 PURSUANT TO SECTION 12-58.5-106 MAY PRESENT HIMSELF OR HERSELF AS
12 OR USE THE TITLE OF A "LICENSED PRIVATE INVESTIGATOR", "PRIVATE
13 INVESTIGATOR", "LICENSED PRIVATE DETECTIVE", OR "PRIVATE
14 DETECTIVE".

15 (c) (I) IF A VOLUNTARY LICENSE IS ISSUED OR RENEWED ON OR
16 AFTER NOVEMBER 1, 2013, BUT PRIOR TO THE REPEAL AND REENACTMENT
17 OF THIS ARTICLE IN 2014, THE VOLUNTARY LICENSE EXPIRES ON THE
18 EFFECTIVE DATE OF THIS PARAGRAPH (c), AND THE DIVISION SHALL
19 REFUND THE PORTION OF THE VOLUNTARY LICENSE FEE PAID THAT IS
20 ATTRIBUTABLE TO THE LICENSE PERIOD FOLLOWING THE EFFECTIVE DATE
21 OF THIS PARAGRAPH (c).

22 (II) UPON THE REPEAL AND REENACTMENT OF THIS ARTICLE
23 PURSUANT TO SENATE BILL 14-133, ENACTED IN 2014, ANY MONEYS OR
24 DEFICIT FUND BALANCE ATTRIBUTABLE TO THE VOLUNTARY LICENSURE
25 PROGRAM AT THE TIME OF ITS REPEAL IS TRANSFERRED TO THE NEW
26 MANDATORY LICENSURE PROGRAM CREATED IN THIS ARTICLE.

27 (III) THIS PARAGRAPH (c) IS REPEALED, EFFECTIVE DECEMBER 31,

1 2014.

2 (2) ANY PERSON WHO CONDUCTS PRIVATE INVESTIGATIONS OR
3 PRESENTS HIMSELF OR HERSELF AS OR USES THE TITLE "PRIVATE
4 INVESTIGATOR", "PRIVATE DETECTIVE", "LICENSED PRIVATE DETECTIVE",
5 OR "LICENSED PRIVATE INVESTIGATOR" WITHOUT AN ACTIVE LICENSE
6 ISSUED UNDER THIS ARTICLE COMMITS A CLASS 2 MISDEMEANOR AND
7 SHALL BE PUNISHED AS PROVIDED IN SECTION 18-1.3-501, C.R.S., FOR THE
8 FIRST OFFENSE AND, FOR THE SECOND OR ANY SUBSEQUENT OFFENSE,
9 COMMITS A CLASS 1 MISDEMEANOR AND SHALL BE PUNISHED AS PROVIDED
10 IN SECTION 18-1.3-501, C.R.S.

11 **12-58.5-105. [Formerly 12-58.5-103 (6) (b)] Exemptions.**

12 (1) THIS ARTICLE DOES NOT APPLY TO:

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

15 (b) A PERSON CONDUCTING AN INVESTIGATION ON THE PERSON'S
16 OWN BEHALF, OR AN EMPLOYEE OF AN EMPLOYER CONDUCTING AN
17 INTERNAL INVESTIGATION ON BEHALF OF HIS OR HER EMPLOYER;

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

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

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

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

27 (III) AN EMPLOYEE OR AFFILIATE OF AN ACCOUNTING FIRM

1 REGISTERED PURSUANT TO SECTION 12-2-117; OR
2 (IV) A PERSON WHO CONDUCTS FORENSIC ACCOUNTING, FRAUD
3 INVESTIGATIONS, OR OTHER RELATED ANALYSIS OF FINANCIAL
4 TRANSACTIONS BASED ON INFORMATION THAT IS EITHER PUBLICLY
5 AVAILABLE OR PROVIDED BY CLIENTS OR OTHER THIRD PARTIES AND WHO
6 IS:
7 (A) AN ACCOUNTANT OR PUBLIC ACCOUNTANT WHO IS NOT
8 REGULATED BY THE STATE;
9 (B) A CERTIFIED FRAUD EXAMINER; OR
10 (C) AN EMPLOYEE OR INDEPENDENT CONTRACTOR UNDER THE
11 GUIDANCE OF AN ACCOUNTANT, PUBLIC ACCOUNTANT, OR CERTIFIED
12 FRAUD EXAMINER;
13 (f) A PERSON WHO AGGREGATES PUBLIC RECORDS AND CHARGES
14 A FEE FOR ACCESSING THE AGGREGATED PUBLIC RECORDS DATA;
15 (g) A PERSON EMPLOYED BY AN INSURANCE COMPANY WHO IS
16 CONDUCTING CLAIMS ADJUSTMENT OR CLAIMS INVESTIGATION FOR THE
17 PURPOSES OF AN INSURANCE CLAIM;
18 (h) AN INVESTIGATOR EMPLOYED OR CONTRACTED BY A PUBLIC OR
19 GOVERNMENTAL AGENCY;
20 (i) A JOURNALIST OR GENEALOGIST;
21 (j) A PERSON SERVING PROCESS WITHIN THE STATE, PERFORMING
22 HIS OR HER DUTIES IN COMPLIANCE WITH THE COLORADO OR FEDERAL
23 RULES OF CIVIL PROCEDURE OR IN ACCORDANCE WITH APPLICABLE
24 FOREIGN STATE COURT RULES OR LAWS PERTAINING TO SERVICE OF
25 FOREIGN PROCESS WITHIN THIS STATE, OR PERFORMING ANY TASK
26 ASSOCIATED WITH EFFECTING SERVICE OF PROCESS, ALL OF WHICH
27 INCLUDES INQUIRIES RELATED TO EFFECTING PROPER SERVICE OF PROCESS

1 AND RESULTING SUPPORTING PROOFS, DECLARATIONS, AFFIDAVITS OF
2 SERVICE, OR DECLARATIONS OR AFFIDAVITS OF DUE DILIGENCE TO
3 SUPPORT ALTERNATIVE METHODS OF SERVICE OF PROCESS; EXCEPT THAT
4 A PROCESS SERVER WHO PERFORMS PRIVATE INVESTIGATIONS OUTSIDE THE
5 EFFORTS TO EFFECT SERVICE OF PROCESS IS NOT EXEMPT FROM THE
6 LICENSING REQUIREMENTS OF THIS ARTICLE AND MUST OBTAIN A LICENSE
7 UNDER THIS ARTICLE IN ORDER TO LAWFULLY PERFORM THOSE PRIVATE
8 INVESTIGATIONS;

9 (k) A PERSON ATTEMPTING TO RECOVER A FUGITIVE WHEN THAT
10 PERSON IS A BAIL BONDING AGENT OR CASH-BONDING AGENT QUALIFIED
11 TO WRITE BAIL BONDS PURSUANT TO ARTICLE 23 OF TITLE 10, C.R.S., OR
12 IS ACTING PURSUANT TO A CONTRACT WITH OR AT THE REQUEST OF A BAIL
13 BONDING AGENT OR CASH-BONDING AGENT WHO IS SO QUALIFIED;

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

17 (m) AN OWNER, EMPLOYEE, OR INDEPENDENT CONTRACTOR OF AN
18 AGENCY CONDUCTING AN INVESTIGATION FOR CAUSE ANALYSIS OR
19 FAILURE ANALYSIS WHERE THE INVESTIGATION IS CONDUCTED BY AN
20 ENGINEER LICENSED PURSUANT TO PART 1 OF ARTICLE 25 OF THIS TITLE
21 ACTING WITHIN HIS OR HER AREA OF EXPERTISE AND WITHIN THE SCOPE OF
22 THE PRACTICE OF ENGINEERING; OR

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

26 **12-58.5-106. [Formerly 12-58.5-105] Private investigator**
27 **licenses - qualifications - fees - renewal - rules.** (1) A PRIVATE

1 INVESTIGATOR APPLYING FOR A LICENSE PURSUANT TO THIS SECTION MUST
2 SATISFY THE REQUIREMENTS OF THE PARTICULAR LICENSE FOR WHICH
3 APPLICATION IS MADE. THE DIRECTOR MAY ISSUE THE FOLLOWING TYPES
4 OF LICENSES TO APPLICANTS WHO, UPON APPLICATION IN THE FORM AND
5 MANNER DETERMINED BY THE DIRECTOR, PAYMENT OF THE REQUIRED FEE,
6 AND SATISFACTION OF THE REQUIREMENTS OF SUBSECTION (2) OF THIS
7 SECTION, PROVIDE EVIDENCE SATISFACTORY TO THE DIRECTOR THAT THE
8 APPLICANT SATISFIES THE QUALIFICATIONS FOR THE PARTICULAR LICENSE
9 AS FOLLOWS:

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

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

13 (II) BE LAWFULLY PRESENT IN THE UNITED STATES; AND

14 (III) DEMONSTRATE KNOWLEDGE AND UNDERSTANDING OF THE
15 LAWS AND RULES AFFECTING THE ETHICS AND ACTIVITIES OF PRIVATE
16 INVESTIGATORS IN THIS STATE BY PASSING A JURISPRUDENCE
17 EXAMINATION DEVELOPED AND APPROVED BY THE DIRECTOR.

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

20 (I) SATISFY THE REQUIREMENTS FOR A LEVEL I PRIVATE
21 INVESTIGATOR LICENSE; AND

22 (II) HAVE AN AMOUNT OF VERIFIABLE, APPLICABLE EXPERIENCE
23 AS A PRIVATE INVESTIGATOR OR EQUIVALENT EXPERIENCE WITH A LOCAL,
24 STATE, OR FEDERAL LAW ENFORCEMENT AGENCY, MILITARY POLICE, THE
25 FEDERAL BUREAU OF INVESTIGATION, OR OTHER EQUIVALENT EXPERIENCE.
26 THE DIRECTOR SHALL DETERMINE, BY RULE, THE AMOUNT AND TYPE OF
27 EXPERIENCE, WHICH MAY INCLUDE POSTSECONDARY EDUCATION,

1 COMPLETION OF APPROVED CERTIFICATE PROGRAMS, OR SUCH OTHER
2 EXPERIENCE THE DIRECTOR DEEMS APPROPRIATE, AN APPLICANT MUST
3 HAVE TO SATISFY THE REQUIREMENTS OF THIS SECTION.

4 (2) IN ADDITION TO THE REQUIREMENTS OF SUBSECTION (1) OF THIS
5 SECTION, EACH APPLICANT FOR A LEVEL I OR LEVEL II PRIVATE
6 INVESTIGATOR LICENSE MUST HAVE HIS OR HER FINGERPRINTS TAKEN BY
7 A LOCAL LAW ENFORCEMENT AGENCY FOR THE PURPOSE OF OBTAINING A
8 FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK. THE APPLICANT
9 IS REQUIRED TO SUBMIT PAYMENT BY CERTIFIED CHECK OR MONEY ORDER
10 FOR THE FINGERPRINTS AND FOR THE ACTUAL COSTS OF THE RECORD
11 CHECK AT THE TIME THE FINGERPRINTS ARE SUBMITTED TO THE
12 COLORADO BUREAU OF INVESTIGATION. UPON RECEIPT OF FINGERPRINTS
13 AND RECEIPT OF THE PAYMENT FOR COSTS, THE COLORADO BUREAU OF
14 INVESTIGATION SHALL CONDUCT A STATE AND NATIONAL
15 FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK UTILIZING
16 RECORDS OF THE COLORADO BUREAU OF INVESTIGATION AND THE
17 FEDERAL BUREAU OF INVESTIGATION AND SHALL FORWARD THE RESULTS
18 OF THE CRIMINAL HISTORY RECORD CHECK TO THE DIRECTOR.

19 (3) **[Formerly 12-58.5-105 (4)]** AN APPLICANT FOR LICENSURE
20 UNDER THIS SECTION SHALL PAY LICENSE, RENEWAL, AND REINSTATEMENT
21 FEES ESTABLISHED BY THE DIRECTOR PURSUANT TO SECTION 24-34-105,
22 C.R.S. A LICENSEE MUST RENEW HIS OR HER LICENSE IN ACCORDANCE
23 WITH A SCHEDULE ESTABLISHED BY THE DIRECTOR PURSUANT TO SECTION
24 24-34-102 (8), C.R.S. IF A LICENSEE FAILS TO RENEW HIS OR HER LICENSE
25 PURSUANT TO THE SCHEDULE ESTABLISHED BY THE DIRECTOR, THE
26 LICENSE EXPIRES, AND THE PERSON SHALL NOT CONDUCT PRIVATE
27 INVESTIGATIONS IN THIS STATE UNTIL THE PERSON PAYS THE APPROPRIATE

1 FEES TO REINSTATE THE LICENSE AND THE DIRECTOR REINSTATES THE
2 LICENSE. A PERSON WHOSE LICENSE EXPIRES AND WHO CONTINUES TO DO
3 BUSINESS AS A PRIVATE INVESTIGATOR IS SUBJECT TO THE PENALTIES
4 PROVIDED IN THIS ARTICLE AND SECTION 24-34-102 (8), C.R.S.

5 **12-58.5-107. Surety bond required - rules.** A LICENSEE SHALL
6 NOT ENGAGE IN PRIVATE INVESTIGATION ACTIVITIES UNLESS THE LICENSEE
7 POSTS AND MAINTAINS, OR IS COVERED BY, A SURETY BOND IN AN AMOUNT
8 DETERMINED BY THE DIRECTOR BY RULE.

9 **12-58.5-108. [Formerly 12-58.5-106] Director's powers and**
10 **duties - consult with stakeholders- rules.** (1) THE DIRECTOR MAY
11 CONSULT WITH PRIVATE INVESTIGATORS, LAW ENFORCEMENT, CONSUMER
12 GROUPS, VICTIM ADVOCACY GROUPS, CIVIL LIBERTIES GROUPS, AND OTHER
13 STAKEHOLDERS TO OBTAIN RECOMMENDATIONS AND FEEDBACK
14 CONCERNING:

- 15 (a) THE REGULATION OF PRIVATE INVESTIGATORS;
- 16 (b) PRIVACY LAWS AND ISSUES, NEW OR CHANGING TECHNOLOGY,
17 AND THE IMPACT OF NEW OR CHANGING TECHNOLOGY ON PRIVACY; AND
- 18 (c) ANY CONTINUING EDUCATION THAT MAY BE NECESSARY TO
19 ENSURE PRIVATE INVESTIGATORS MAINTAIN KNOWLEDGE AND
20 UNDERSTANDING OF LAWS AND RULES AFFECTING THE PRACTICE,
21 PARTICULARLY THOSE CONCERNING PRIVACY ISSUES AND NEW OR
22 CHANGING TECHNOLOGY. IF A STAKEHOLDER GROUP RECOMMENDS THAT
23 CONTINUING EDUCATION REQUIREMENTS BE IMPOSED, NOTHING IN THIS
24 PARAGRAPH (c) ABROGATES THE REQUIREMENTS OF SECTION 24-34-901,
25 C.R.S., AND THE DIRECTOR IS NOT AUTHORIZED TO IMPOSE, BY RULE OR
26 OTHERWISE, ANY CONTINUING EDUCATION REQUIREMENTS ABSENT AN
27 ENACTMENT OF A BILL IMPOSING CONTINUING EDUCATION REQUIREMENTS

1 OR AUTHORIZING THE DIRECTOR TO ESTABLISH CONTINUING EDUCATION
2 REQUIREMENTS.

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

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

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

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

13 (III) DEFINE GENERALLY ACCEPTED STANDARD OF THE PRACTICE
14 OF PRIVATE INVESTIGATIONS;

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

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

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

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

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

25 **12-58.5-109. [Formerly 12-57.5-107] Disciplinary actions -**
26 **grounds for discipline - rules - cease-and-desist orders.** (1) THE
27 DIRECTOR MAY DENY, SUSPEND, OR REVOKE A LICENSE, PLACE AN

1 APPLICANT OR LICENSEE ON PROBATION, OR ISSUE A LETTER OF
2 ADMONITION TO AN APPLICANT OR LICENSEE IF THE APPLICANT OR
3 LICENSEE:

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

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

9 (c) IS CONVICTED OF OR HAS ENTERED A PLEA OF GUILTY OR NOLO
10 CONTENDERE TO A FELONY; TO AN OFFENSE, THE UNDERLYING FACTUAL
11 BASIS OF WHICH HAS BEEN FOUND BY THE COURT TO INVOLVE UNLAWFUL
12 SEXUAL BEHAVIOR, DOMESTIC VIOLENCE, AS DEFINED IN SECTION
13 18-6-800.3 (1), C.R.S., OR STALKING, AS DEFINED IN SECTION 18-3-602,
14 C.R.S.; OR TO VIOLATION OF A PROTECTION ORDER, AS DEFINED IN
15 SECTION 18-6-803.5, C.R.S. IN CONSIDERING THE DISCIPLINARY ACTION,
16 THE DIRECTOR IS GOVERNED BY SECTION 24-5-101, C.R.S., IN
17 CONSIDERING THE CONVICTION OR PLEA.

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

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

22 (f) HAS BEEN SUBJECT TO DISCIPLINE RELATED TO THE PRACTICE
23 OF PRIVATE INVESTIGATIONS IN ANOTHER JURISDICTION. EVIDENCE OF
24 DISCIPLINARY ACTION IN ANOTHER JURISDICTION IS PRIMA FACIE EVIDENCE
25 FOR DENIAL OF A LICENSE OR OTHER DISCIPLINARY ACTION IF THE
26 VIOLATION WOULD BE GROUNDS FOR DISCIPLINARY ACTION IN THIS STATE.

27 (g) COMMITS AN ACT OR OMISSION THAT FAILS TO MEET

1 GENERALLY ACCEPTED STANDARDS OF THE PRACTICE OF PRIVATE
2 INVESTIGATIONS; OR

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

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

11 (3) THE DIRECTOR NEED NOT FIND THAT THE ACTIONS THAT ARE
12 GROUNDS FOR DISCIPLINE WERE WILLFUL BUT MAY CONSIDER WHETHER
13 THE ACTIONS WERE WILLFUL WHEN DETERMINING THE NATURE OF
14 DISCIPLINARY SANCTIONS TO IMPOSE.

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

19 (b) IN ANY PROCEEDING HELD UNDER THIS SECTION, THE DIRECTOR
20 MAY ACCEPT AS EVIDENCE OF GROUNDS FOR DISCIPLINARY ACTION ANY
21 DISCIPLINARY ACTION TAKEN AGAINST A LICENSEE IN ANOTHER
22 JURISDICTION IF THE VIOLATION THAT PROMPTED THE DISCIPLINARY
23 ACTION IN THE OTHER JURISDICTION WOULD BE GROUNDS FOR
24 DISCIPLINARY ACTION UNDER THIS ARTICLE.

25 (5) THE DIRECTOR SHALL CONDUCT DISCIPLINARY PROCEEDINGS
26 IN ACCORDANCE WITH ARTICLE 4 OF TITLE 24, C.R.S. THE DIRECTOR OR AN
27 ADMINISTRATIVE LAW JUDGE APPOINTED BY THE DIRECTOR PURSUANT TO

1 PARAGRAPH (c) OF SUBSECTION (6) OF THIS SECTION SHALL CONDUCT THE
2 HEARING AND OPPORTUNITY FOR REVIEW PURSUANT TO THAT ARTICLE.
3 THE DIRECTOR MAY EXERCISE ALL POWERS AND DUTIES CONFERRED BY
4 THIS ARTICLE DURING THE DISCIPLINARY PROCEEDINGS.

5 (6) (a) THE DIRECTOR MAY REQUEST THAT THE ATTORNEY
6 GENERAL SEEK AN INJUNCTION IN ANY COURT OF COMPETENT
7 JURISDICTION TO ENJOIN A PERSON FROM COMMITTING AN ACT PROHIBITED
8 BY THIS ARTICLE. WHEN SEEKING AN INJUNCTION UNDER THIS PARAGRAPH
9 (a), THE ATTORNEY GENERAL IS NOT REQUIRED TO ALLEGE OR PROVE THE
10 INADEQUACY OF ANY REMEDY AT LAW OR THAT SUBSTANTIAL OR
11 IRREPARABLE DAMAGE IS LIKELY TO RESULT FROM A CONTINUED
12 VIOLATION OF THIS ARTICLE.

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

16 (II) IN ANY HEARING OR INVESTIGATION INSTITUTED PURSUANT
17 TO THIS SECTION, THE DIRECTOR OR AN ADMINISTRATIVE LAW JUDGE
18 APPOINTED PURSUANT TO PARAGRAPH (c) OF THIS SUBSECTION (6) MAY
19 ADMINISTER OATHS, TAKE AFFIRMATIONS OF WITNESSES, AND ISSUE
20 SUBPOENAS COMPELLING THE ATTENDANCE OF WITNESSES AND THE
21 PRODUCTION OF ALL RELEVANT RECORDS, PAPERS, BOOKS, DOCUMENTARY
22 EVIDENCE, AND MATERIALS IN ANY HEARING, INVESTIGATION,
23 ACCUSATION, OR OTHER MATTER BEFORE THE DIRECTOR OR AN
24 ADMINISTRATIVE LAW JUDGE.

25 (III) UPON FAILURE OF ANY WITNESS OR LICENSEE TO COMPLY
26 WITH A SUBPOENA OR PROCESS, THE DISTRICT COURT OF THE COUNTY IN
27 WHICH THE SUBPOENAED PERSON OR LICENSEE RESIDES OR CONDUCTS

1 BUSINESS, UPON APPLICATION BY THE DIRECTOR WITH NOTICE TO THE
2 SUBPOENAED PERSON OR LICENSEE, MAY ISSUE TO THE PERSON OR
3 LICENSEE AN ORDER REQUIRING THE PERSON OR LICENSEE TO APPEAR
4 BEFORE THE DIRECTOR; TO PRODUCE THE RELEVANT PAPERS, BOOKS,
5 RECORDS, DOCUMENTARY EVIDENCE, OR MATERIALS IF SO ORDERED; OR
6 TO GIVE EVIDENCE TOUCHING THE MATTER UNDER INVESTIGATION OR IN
7 QUESTION. IF THE PERSON OR LICENSEE FAILS TO OBEY THE ORDER OF THE
8 COURT, THE COURT MAY HOLD THE PERSON OR LICENSEE IN CONTEMPT OF
9 COURT.

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

14 (7) (a) THE DIRECTOR, THE DIRECTOR'S STAFF, A PERSON ACTING
15 AS A WITNESS OR CONSULTANT TO THE DIRECTOR, A WITNESS TESTIFYING
16 IN A PROCEEDING AUTHORIZED UNDER THIS ARTICLE, OR A PERSON WHO
17 LODGES A COMPLAINT PURSUANT TO THIS ARTICLE IS IMMUNE FROM
18 LIABILITY IN A CIVIL ACTION BROUGHT AGAINST HIM OR HER FOR ACTS
19 OCCURRING WHILE ACTING IN HIS OR HER CAPACITY AS DIRECTOR, STAFF,
20 CONSULTANT, OR WITNESS, RESPECTIVELY, IF THE INDIVIDUAL WAS ACTING
21 IN GOOD FAITH WITHIN THE SCOPE OF HIS OR HER RESPECTIVE CAPACITY,
22 MADE A REASONABLE EFFORT TO OBTAIN THE FACTS OF THE MATTER AS TO
23 WHICH HE OR SHE ACTED, AND ACTED IN THE REASONABLE BELIEF THAT
24 THE ACTION HE OR SHE TOOK WAS WARRANTED BY THE FACTS.

25 (b) A PERSON PARTICIPATING, IN GOOD FAITH, IN MAKING A
26 COMPLAINT OR REPORT OR IN AN INVESTIGATIVE OR ADMINISTRATIVE
27 PROCEEDING PURSUANT TO THIS SECTION IS IMMUNE FROM ANY CIVIL OR

1 CRIMINAL LIABILITY THAT OTHERWISE MIGHT RESULT BY REASON OF THE
2 PARTICIPATION.

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

8 (9) WHEN A COMPLAINT OR AN INVESTIGATION DISCLOSES AN
9 INSTANCE OF MISCONDUCT THAT, IN THE OPINION OF THE DIRECTOR,
10 WARRANTS FORMAL ACTION, THE DIRECTOR SHALL NOT RESOLVE THE
11 COMPLAINT BY A DEFERRED SETTLEMENT, ACTION, JUDGMENT, OR
12 PROSECUTION.

13 (10) (a) IF IT APPEARS TO THE DIRECTOR, BASED UPON CREDIBLE
14 EVIDENCE AS PRESENTED IN A WRITTEN COMPLAINT, THAT A LICENSEE IS
15 ACTING IN A MANNER THAT IS AN IMMINENT THREAT TO THE HEALTH AND
16 SAFETY OF THE PUBLIC, OR IF A PERSON IS CONDUCTING PRIVATE
17 INVESTIGATIONS OR PRESENTING HIMSELF OR HERSELF AS OR IS USING THE
18 TITLE "PRIVATE INVESTIGATOR", "PRIVATE DETECTIVE", OR "LICENSED
19 PRIVATE INVESTIGATOR" WITHOUT HAVING OBTAINED A LICENSE, THE
20 DIRECTOR MAY ISSUE AN ORDER TO CEASE AND DESIST THE ACTIVITY. THE
21 DIRECTOR SHALL SET FORTH IN THE ORDER THE STATUTES AND RULES
22 ALLEGED TO HAVE BEEN VIOLATED, THE FACTS ALLEGED TO HAVE
23 CONSTITUTED THE VIOLATION, AND THE REQUIREMENT THAT ALL
24 UNLAWFUL ACTS OR UNLICENSED PRACTICES IMMEDIATELY CEASE.

25 (b) WITHIN TEN DAYS AFTER SERVICE OF THE ORDER TO CEASE AND
26 DESIST PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (10), THE
27 RESPONDENT MAY REQUEST A HEARING ON THE QUESTION OF WHETHER

1 ACTS OR PRACTICES IN VIOLATION OF THIS ARTICLE HAVE OCCURRED. THE
2 DIRECTOR OR ADMINISTRATIVE LAW JUDGE, AS APPLICABLE, SHALL
3 CONDUCT THE HEARING PURSUANT TO SECTIONS 24-4-104 AND 24-4-105,
4 C.R.S.

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

12 (b) THE DIRECTOR SHALL PROMPTLY NOTIFY THE PERSON AGAINST
13 WHOM AN ORDER TO SHOW CAUSE HAS BEEN ISSUED PURSUANT TO
14 PARAGRAPH (a) OF THIS SUBSECTION (11) OF THE ISSUANCE OF THE ORDER
15 AND SHALL INCLUDE IN THE NOTICE A COPY OF THE ORDER, THE FACTUAL
16 AND LEGAL BASIS FOR THE ORDER, AND THE DATE SET BY THE DIRECTOR
17 FOR A HEARING ON THE ORDER. THE DIRECTOR MAY SERVE THE NOTICE ON
18 THE PERSON AGAINST WHOM THE ORDER HAS BEEN ISSUED BY PERSONAL
19 SERVICE, BY FIRST-CLASS, POSTAGE-PREPAID UNITED STATES MAIL, OR IN
20 ANOTHER MANNER AS MAY BE PRACTICABLE. PERSONAL SERVICE OR
21 MAILING OF AN ORDER OR DOCUMENT PURSUANT TO THIS PARAGRAPH (b)
22 CONSTITUTES NOTICE OF THE ORDER TO THE PERSON.

23 (c) (I) THE DIRECTOR SHALL HOLD THE HEARING ON AN ORDER TO
24 SHOW CAUSE NO SOONER THAN TEN AND NO LATER THAN FORTY-FIVE
25 CALENDAR DAYS AFTER THE DATE OF TRANSMISSION OR SERVICE OF THE
26 NOTIFICATION BY THE DIRECTOR AS PROVIDED IN PARAGRAPH (b) OF THIS
27 SUBSECTION (11). THE DIRECTOR MAY CONTINUE THE HEARING BY

1 AGREEMENT OF ALL PARTIES BASED UPON THE COMPLEXITY OF THE
2 MATTER, NUMBER OF PARTIES TO THE MATTER, AND LEGAL ISSUES
3 PRESENTED IN THE MATTER, BUT IN NO EVENT SHALL THE DIRECTOR HOLD
4 THE HEARING LATER THAN SIXTY CALENDAR DAYS AFTER THE DATE OF
5 TRANSMISSION OR SERVICE OF THE NOTIFICATION.

6 (II) IF A PERSON AGAINST WHOM AN ORDER TO SHOW CAUSE HAS
7 BEEN ISSUED PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (11) DOES
8 NOT APPEAR AT THE HEARING, THE DIRECTOR MAY PRESENT EVIDENCE
9 THAT NOTIFICATION WAS PROPERLY SENT OR SERVED ON THE PERSON
10 PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION (11) AND SUCH OTHER
11 EVIDENCE RELATED TO THE MATTER AS THE DIRECTOR DEEMS
12 APPROPRIATE. THE DIRECTOR MUST ISSUE THE ORDER WITHIN TEN DAYS
13 AFTER THE DIRECTOR'S DETERMINATION RELATED TO REASONABLE
14 ATTEMPTS TO NOTIFY THE RESPONDENT, AND THE ORDER BECOMES FINAL
15 AS TO THAT PERSON BY OPERATION OF LAW. THE HEARING MUST BE
16 CONDUCTED PURSUANT TO SECTIONS 24-4-104 AND 24-4-105, C.R.S.

17 (III) IF THE DIRECTOR REASONABLY FINDS THAT THE PERSON
18 AGAINST WHOM THE ORDER TO SHOW CAUSE WAS ISSUED IS ACTING OR
19 HAS ACTED WITHOUT THE REQUIRED LICENSE OR HAS OR IS ABOUT TO
20 ENGAGE IN ACTS OR PRACTICES CONSTITUTING VIOLATIONS OF THIS
21 ARTICLE, THE DIRECTOR MAY ISSUE A FINAL CEASE-AND-DESIST ORDER
22 DIRECTING THE PERSON TO CEASE AND DESIST FROM FURTHER UNLAWFUL
23 ACTS OR UNLICENSED PRACTICES.

24 (IV) THE DIRECTOR SHALL PROVIDE NOTICE, IN THE MANNER SET
25 FORTH IN PARAGRAPH (b) OF THIS SUBSECTION (11), OF THE FINAL
26 CEASE-AND-DESIST ORDER WITHIN TEN CALENDAR DAYS AFTER THE
27 HEARING CONDUCTED PURSUANT TO THIS PARAGRAPH (c) TO EACH PERSON

1 AGAINST WHOM THE FINAL ORDER HAS BEEN ISSUED. THE FINAL ORDER
2 ISSUED PURSUANT TO SUBPARAGRAPH (III) OF THIS PARAGRAPH (c) IS
3 EFFECTIVE WHEN ISSUED AND IS A FINAL ORDER FOR PURPOSES OF JUDICIAL
4 REVIEW.

5 (12) IF IT APPEARS TO THE DIRECTOR, BASED UPON CREDIBLE
6 EVIDENCE PRESENTED TO THE DIRECTOR, THAT A PERSON HAS ENGAGED OR
7 IS ABOUT TO ENGAGE IN AN ACT OR PRACTICE CONSTITUTING A VIOLATION
8 OF THIS ARTICLE, A RULE PROMULGATED PURSUANT TO THIS ARTICLE, OR
9 AN ORDER ISSUED PURSUANT TO THIS ARTICLE, OR ANY OTHER ACT OR
10 PRACTICE CONSTITUTING GROUNDS FOR ADMINISTRATIVE SANCTION
11 PURSUANT TO THIS ARTICLE, THE DIRECTOR MAY ENTER INTO A
12 STIPULATION WITH THE PERSON.

13 (13) IF A PERSON FAILS TO COMPLY WITH A FINAL
14 CEASE-AND-DESIST ORDER OR A STIPULATION, THE DIRECTOR MAY
15 REQUEST THE ATTORNEY GENERAL OR THE DISTRICT ATTORNEY FOR THE
16 JUDICIAL DISTRICT IN WHICH THE ALLEGED VIOLATION EXISTS TO BRING,
17 AND IF SO REQUESTED THE ATTORNEY SHALL BRING, SUIT FOR A
18 TEMPORARY RESTRAINING ORDER AND FOR INJUNCTIVE RELIEF TO
19 PREVENT ANY FURTHER OR CONTINUED VIOLATION OF THE FINAL ORDER.

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

24 (15) (a) WHEN A COMPLAINT OR INVESTIGATION DISCLOSES AN
25 INSTANCE OF MISCONDUCT THAT, IN THE OPINION OF THE DIRECTOR, DOES
26 NOT WARRANT FORMAL ACTION BY THE DIRECTOR BUT THAT SHOULD NOT
27 BE DISMISSED AS BEING WITHOUT MERIT, THE DIRECTOR MAY ISSUE AND

1 SEND THE LICENSEE A LETTER OF ADMONITION.

2 (b) WHEN THE DIRECTOR SENDS A LETTER OF ADMONITION TO A
3 LICENSEE, THE DIRECTOR SHALL ADVISE THE LICENSEE THAT HE OR SHE
4 HAS THE RIGHT TO REQUEST IN WRITING, WITHIN TWENTY DAYS AFTER
5 RECEIPT OF THE LETTER, THAT FORMAL DISCIPLINARY PROCEEDINGS BE
6 INITIATED TO ADJUDICATE THE PROPRIETY OF THE CONDUCT UPON WHICH
7 THE LETTER OF ADMONITION IS BASED.

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

11 (16) WHEN A COMPLAINT OR INVESTIGATION DISCLOSES AN
12 INSTANCE OF CONDUCT THAT DOES NOT WARRANT FORMAL ACTION BY THE
13 DIRECTOR AND, IN THE OPINION OF THE DIRECTOR, THE COMPLAINT
14 SHOULD BE DISMISSED, BUT THE DIRECTOR HAS NOTICED INDICATIONS OF
15 POSSIBLE ERRANT CONDUCT BY THE LICENSEE THAT COULD LEAD TO
16 SERIOUS CONSEQUENCES IF NOT CORRECTED, THE DIRECTOR MAY SEND
17 THE LICENSEE A CONFIDENTIAL LETTER OF CONCERN.

18 **12-58.5-110. [Formerly 12-58.5-108] Revocation.** A PERSON
19 WHOSE LICENSE IS REVOKED OR WHO SURRENDERS A LICENSE TO AVOID
20 DISCIPLINE IS INELIGIBLE TO APPLY FOR A LICENSE UNDER THIS ARTICLE
21 UNTIL AT LEAST TWO YEARS AFTER THE DATE OF REVOCATION OR
22 SURRENDER OF THE LICENSE. THE DIRECTOR SHALL TREAT A SUBSEQUENT
23 APPLICATION FOR LICENSURE FROM A PERSON WHOSE LICENSE WAS
24 REVOKED OR SURRENDERED AS AN APPLICATION FOR A NEW LICENSE
25 UNDER THIS ARTICLE.

26 **12-58.5-111. [Formerly 12-58.5-109] Fees - cash fund.** THE
27 DIVISION SHALL TRANSMIT ALL FEES COLLECTED PURSUANT TO THIS

1 ARTICLE TO THE STATE TREASURER, WHO SHALL CREDIT THE FEES TO THE
2 DIVISION OF PROFESSIONS AND OCCUPATIONS CASH FUND CREATED IN
3 SECTION 24-34-105 (2) (b), C.R.S. THE GENERAL ASSEMBLY SHALL MAKE
4 ANNUAL APPROPRIATIONS FROM THE DIVISION OF PROFESSIONS AND
5 OCCUPATIONS CASH FUND FOR EXPENDITURES OF THE DIVISION INCURRED
6 IN THE PERFORMANCE OF ITS DUTIES UNDER THIS ARTICLE.

7 **12-58.5-112. [Formerly 12-58.5-108] Repeal of article - review**
8 **of functions.** THIS ARTICLE IS REPEALED, EFFECTIVE SEPTEMBER 1, 2020.
9 PRIOR TO THE REPEAL, THE DEPARTMENT OF REGULATORY AGENCIES
10 SHALL REVIEW THE POWERS, DUTIES, AND FUNCTIONS OF THE DIRECTOR
11 REGARDING THE LICENSURE OF PRIVATE INVESTIGATORS UNDER THIS
12 ARTICLE AS PROVIDED IN SECTION 24-34-104, C.R.S.

13 **SECTION 2.** In Colorado Revised Statutes, 24-34-104, **repeal**
14 (47.5) (i); and **add** (51.5) (h) as follows:

15 **24-34-104. General assembly review of regulatory agencies**
16 **and functions for termination, continuation, or reestablishment.**

17 (47.5) The following agencies, functions, or both, shall terminate on
18 September 1, 2016:

19 (i) ~~The voluntary licensing of private investigators by the director~~
20 ~~of the division of professions and occupations in accordance with article~~
21 ~~58.5 of title 12, C.R.S.~~

22 (51.5) The following agencies, functions, or both, terminate on
23 September 1, 2020:

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

27 **SECTION 3.** In Colorado Revised Statutes, 24-72-204, **amend**

1 (7) (b) (VIII) as follows:

2 **24-72-204. Allowance or denial of inspection - grounds -**
3 **procedure - appeal - definitions.** (7) (b) Notwithstanding paragraph (a)
4 of this subsection (7), only upon obtaining a completed requestor release
5 form under section 42-1-206 (1) (b), C.R.S., the department may allow
6 inspection of the information referred to in paragraph (a) of this
7 subsection (7) for the following uses:

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

12 **SECTION 4. Appropriation.** (1) In addition to any other
13 appropriation, there is hereby appropriated, out of any moneys in the
14 division of professions and occupations cash fund created in section
15 24-34-105 (2) (b) (I), Colorado Revised Statutes, not otherwise
16 appropriated, to the department of regulatory agencies, for the fiscal year
17 beginning July 1, 2014, the sum of \$28,300 and 0.3 FTE, or so much
18 thereof as may be necessary, to be allocated for the implementation of this
19 act as follows:

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

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

24 (2) In addition to any other appropriation, there is hereby
25 appropriated to the department of law, for the fiscal year beginning July
26 1, 2014, the sum of \$9,057, or so much thereof as may be necessary, for
27 the provision of legal services for the department of regulatory agencies

1 related to the implementation of this act. Said sum is from reappropriated
2 funds received from the department of regulatory agencies out of the
3 appropriation made in paragraph (b) of subsection (1) of this section.

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

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