

**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**

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**SENATE SPONSORSHIP**

**Newell,** Guzman, Todd

**HOUSE SPONSORSHIP**

**Melton,** Fields, Hullinghorst

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**Senate Committees**

Judiciary  
Finance

**House Committees**

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**A BILL FOR AN ACT**

101 **CONCERNING THE REGULATION OF PRIVATE INVESTIGATORS BY THE**  
102 **DEPARTMENT OF REGULATORY AGENCIES.**

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**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/bills summaries>.)*

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 criteria for licensure, the director of the division is to issue a license to 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.*

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.

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

2 **SECTION 1.** In Colorado Revised Statutes, **amend 12-58.5-101**  
3 as follows:

4 **12-58.5-101. Short title.** This article shall be known and may be  
5 cited as the "Private Investigators Voluntary Licensure INVESTIGATIONS  
6 Act".

7 **SECTION 2.** In Colorado Revised Statutes, **amend 12-58.5-102**  
8 as follows:

9 **12-58.5-102. Legislative declaration.** The general assembly  
10 hereby finds that in order to protect the citizens of the state, and allow  
11 private investigators access to public records, it is important to create a  
12 licensure program to allow qualified REQUIRE private investigators at their  
13 option, to obtain a state-issued REGISTRATION AND TO REQUIRE PRIVATE

1 INVESTIGATION AGENCIES TO OBTAIN A STATE-ISSUED license to conduct  
2 private investigations IN THIS STATE.

3 **SECTION 3.** In Colorado Revised Statutes, 12-58.5-103, **amend**  
4 (1), (4), (5), and (6) (a); and **add** (5.5) and (7) as follows:

5 **12-58.5-103. Definitions.** As used in this article, unless the  
6 context otherwise requires:

7 (1) "Applicant" means:

8 (a) A private investigator who applies for an initial or renewal  
9 license REGISTRATION pursuant to this article; OR

10 (b) A PERSON WHO APPLIES FOR AN INITIAL OR RENEWAL AGENCY  
11 LICENSE PURSUANT TO THIS ARTICLE.

12 (4) "Licensed private investigator INVESTIGATION AGENCY",  
13 "LICENSED AGENCY", OR "LICENSEE" means a private investigator  
14 INVESTIGATION AGENCY licensed by the director pursuant to this article.

15 (5) "Private investigation" means UNDERTAKING an investigation  
16 for the purpose of obtaining information FOR OTHERS pertaining to:

17 (a) A crime, wrongful act, or threat against the United States or  
18 any state or territory of the United States;

19 (b) The identity, reputation, character, habits, conduct, business  
20 occupation, honesty, integrity, credibility, knowledge, trustworthiness,  
21 efficiency, loyalty, activity, movements, whereabouts, affiliations,  
22 associations, or transactions of a person, or group of persons, OR  
23 ORGANIZATION;

24 (c) The credibility of witnesses or other persons;

25 (d) The whereabouts of missing persons;

26 (e) The determination of the owners of abandoned property;

27 (f) The causes and origin of, or responsibility for, a fire, libel,

1 slander, a loss, an accident, damage, or an injury to a person or to real or  
2 personal property;

3 (g) The business of securing evidence to be used before an  
4 investigatory committee, or board of award or arbitration,  
5 ADMINISTRATIVE BODY, OR OFFICER or in the preparation for or in a civil  
6 or criminal trial;

7 (h) The business of locating persons who have become delinquent  
8 in their lawful debts, either when THE LICENSED PRIVATE INVESTIGATION  
9 AGENCY LOCATING THE DEBTOR IS hired by an individual or collection  
10 agency; or through direct purchase of the debt from a financial institution  
11 or entity owning the debt or judgment;

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

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

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

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

22 (5.5) (a) "PRIVATE INVESTIGATION AGENCY" OR "AGENCY" MEANS  
23 A SOLE PROPRIETORSHIP, CORPORATION, PARTNERSHIP, FIRM,  
24 ASSOCIATION, OR OTHER BUSINESS ENTITY THAT CONDUCTS PRIVATE  
25 INVESTIGATIONS, REGARDLESS OF WHETHER THE AGENCY RECEIVES A FEE,  
26 REWARD, COMPENSATION, OR OTHER CONSIDERATION FOR CONDUCTING  
27 THE PRIVATE INVESTIGATION.

1           (b) THE TERM DOES NOT INCLUDE A PERSON OR BUSINESS THAT  
2           ONLY CONTRACTS WITH PERSONS EXEMPTED FROM THIS ARTICLE  
3           PURSUANT TO SECTION 12-58.5-104.5.

4           (6) (a) "Private investigator" OR "PRIVATE DETECTIVE" means a  
5           NATURAL person who for consideration, engages in business or accepts  
6           employment to conduct CONDUCTS private investigations AS AN  
7           EMPLOYEE OF AN AGENCY.

8           (7) "REGISTERED PRIVATE INVESTIGATOR" OR "REGISTRANT"  
9           MEANS A PRIVATE INVESTIGATOR REGISTERED BY THE DIRECTOR  
10           PURSUANT TO THIS ARTICLE.

11           **SECTION 4.** In Colorado Revised Statutes, **amend** 12-58.5-104  
12           as follows:

13           **12-58.5-104. Registration - licensure - title protection -**  
14           **unauthorized practice - penalty.** (1) (a) (I) ~~By July 1, 2012~~ **JUNE 1,**  
15           **2015, a private investigator conducting private investigations in this state**  
16           **who meets the requirements of IS REQUIRED TO MEET THE QUALIFICATIONS**  
17           **SET FORTH IN, ~~section 12-58.5-201~~ may obtain a license AND OBTAIN A**  
18           **REGISTRATION from the director PURSUANT TO, SECTION 12-58.5-201. A**  
19           **PRIVATE INVESTIGATOR WHO IS NOT EMPLOYED BY AN AGENCY MUST**  
20           **MEET THE QUALIFICATIONS SET FORTH IN, AND OBTAIN AN AGENCY**  
21           **LICENSE PURSUANT TO, SECTION 12-58.5-301.**

22           **(II) BY JUNE 1, 2015, A PRIVATE INVESTIGATION AGENCY**  
23           **CONDUCTING PRIVATE INVESTIGATIONS IN THIS STATE MUST MEET THE**  
24           **QUALIFICATIONS SET FORTH IN, AND OBTAIN AN AGENCY LICENSE**  
25           **PURSUANT TO, SECTION 12-58.5-301.**

26           **(III) Only a private investigator ~~who~~ OR PRIVATE INVESTIGATION**  
27           **AGENCY THAT obtains a license OR REGISTRATION, AS APPLICABLE**

1 pursuant to section 12-58.5-105 shall hold THIS ARTICLE, MAY PRESENT  
2 himself, or herself, out OR ITSELF as or use the title of a "licensed "private  
3 investigator", "PRIVATE DETECTIVE", "REGISTERED PRIVATE  
4 INVESTIGATOR", "REGISTERED PRIVATE DETECTIVE", "PRIVATE  
5 INVESTIGATION AGENCY", OR "LICENSED PRIVATE INVESTIGATION  
6 AGENCY", AS APPLICABLE.

7 (b) (I) Nothing in this article requires a private investigator  
8 engaging in private investigations in this state to obtain a license under  
9 this article, but a private investigator who is not so licensed shall not refer  
10 to himself or herself as a "licensed private investigator". ON OR AFTER  
11 THE EFFECTIVE DATE OF THIS PARAGRAPH (b), AS AMENDED, THE DIRECTOR  
12 SHALL NOT ACCEPT AN APPLICATION FOR A NEW OR RENEWAL VOLUNTARY  
13 PRIVATE INVESTIGATOR LICENSE AND SHALL NOT ISSUE OR RENEW A  
14 VOLUNTARY PRIVATE INVESTIGATOR LICENSE. A PRIVATE INVESTIGATOR  
15 HOLDING A VOLUNTARY LICENSE ISSUED OR RENEWED BEFORE THE  
16 EFFECTIVE DATE OF THIS PARAGRAPH (b), AS AMENDED, SHALL NOT  
17 CONDUCT PRIVATE INVESTIGATIONS ON OR AFTER JUNE 1, 2015, UNLESS  
18 THE PRIVATE INVESTIGATOR APPLIES FOR, SATISFIES THE QUALIFICATIONS  
19 OF, AND OBTAINS A REGISTRATION OR LICENSE PURSUANT TO SECTION  
20 12-58.5-201 OR 12-58.5-301, AS APPLICABLE.

21 (II) THE DIRECTOR SHALL DISMISS ANY APPLICATION FOR A  
22 VOLUNTARY PRIVATE INVESTIGATOR LICENSE PENDING ON THE EFFECTIVE  
23 DATE OF THIS PARAGRAPH (b), AS AMENDED, AND SHALL REFUND ANY FEES  
24 SUBMITTED WITH THE APPLICATION TO THE APPLICANT.

25 (2) Any person OR AGENCY who holds CONDUCTS PRIVATE  
26 INVESTIGATIONS OR PRESENTS himself, or herself, out OR ITSELF as or uses  
27 the title "PRIVATE INVESTIGATOR", "licensed REGISTERED private

1 investigator", "PRIVATE DETECTIVE", "REGISTERED PRIVATE DETECTIVE",  
2 "PRIVATE INVESTIGATION AGENCY", OR "LICENSED PRIVATE  
3 INVESTIGATION AGENCY" without an active REGISTRATION OR license, AS  
4 APPLICABLE, issued under this article commits a class 2 misdemeanor and  
5 shall be punished as provided in section 18-1.3-501, C.R.S., for the first  
6 offense, and, for the second or any subsequent offense, commits a class  
7 1 misdemeanor and shall be punished as provided in section 18-1.3-501,  
8 C.R.S.

9 **SECTION 5. In Colorado Revised Statutes, add with amended**  
10 **and relocated provisions 12-58.5-104.5 and 12-58.5-106.5 as follows:**

11 **12-58.5-104.5. [Formerly 12-58.5-103 (6) (b)] Exemptions.**

12 (1) "Private investigator" does not include THIS ARTICLE DOES NOT APPLY  
13 TO:

14 (F) (a) A collection agency OR CONSUMER REPORTING AGENCY, as  
15 defined in section 12-14-103 (2) AND (4.5), RESPECTIVELY;

16 (H) (b) A person conducting an investigation on the person's own  
17 behalf, or an employee OF AN EMPLOYER conducting an INTERNAL  
18 investigation on behalf of the HIS OR HER employer;

19 (HH) (c) An ATTORNEY LICENSED TO PRACTICE LAW IN THIS STATE,  
20 AN employee or independent contractor of an A LICENSED ATTORNEY, OR  
21 A PERSON UNDER CONTRACT TO PERFORM PARALEGAL SERVICES FOR A  
22 LICENSED attorney; licensed to practice law in this state;

23 (IV) (d) A certified peace officer of a law enforcement agency  
24 operating in his or her official capacity;

25 (V) A consumer reporting agency, as defined in section  
26 12-14-103;

27 (VI) (e) (I) A certified public accountant certified or authorized



1 to provide accounting services in the state pursuant to article 2 of this  
2 title; and any

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

4 (III) AN employee or affiliate of an accounting firm registered  
5 pursuant to section 12-2-117; OR

6 (IV) A PERSON WHO CONDUCTS FORENSIC ACCOUNTING, FRAUD  
7 INVESTIGATIONS, OR OTHER RELATED ANALYSIS OF FINANCIAL  
8 TRANSACTIONS BASED ON INFORMATION THAT IS EITHER PUBLICLY  
9 AVAILABLE OR PROVIDED BY CLIENTS OR OTHER THIRD PARTIES AND WHO  
10 IS:

11 (A) AN ACCOUNTANT OR PUBLIC ACCOUNTANT WHO IS NOT  
12 REGULATED BY THE STATE;

13 (B) A CERTIFIED FRAUD EXAMINER; OR

14 (C) AN EMPLOYEE OR INDEPENDENT CONTRACTOR UNDER THE  
15 GUIDANCE OF AN ACCOUNTANT, PUBLIC ACCOUNTANT, OR CERTIFIED  
16 FRAUD EXAMINER;

17 ~~(VII)~~ (f) An investigator employed OR CONTRACTED by a public  
18 or governmental agency;

19 ~~(VIII)~~ (g) A journalist or genealogist; or

20 ~~(IX)~~ (h) A person serving process WITHIN THE STATE, PERFORMING  
21 HIS OR HER DUTIES IN COMPLIANCE WITH THE COLORADO OR FEDERAL  
22 RULES OF CIVIL PROCEDURE OR IN ACCORDANCE WITH APPLICABLE  
23 FOREIGN STATE COURT RULES OR LAWS PERTAINING TO SERVICE OF  
24 FOREIGN PROCESS WITHIN THIS STATE, OR PERFORMING ANY TASK  
25 ASSOCIATED WITH EFFECTING SERVICE OF PROCESS, ALL OF WHICH  
26 INCLUDES INQUIRIES RELATED TO EFFECTING PROPER SERVICE OF PROCESS  
27 AND RESULTING SUPPORTING PROOFS, DECLARATIONS, AFFIDAVITS OF

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

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

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

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

22 (l) A PERSON EMPLOYED BY AN INSURANCE COMPANY WHO IS  
23 CONDUCTING CLAIMS ADJUSTMENT OR CLAIMS INVESTIGATION FOR THE  
24 PURPOSES OF AN INSURANCE CLAIM; OR

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

1           **12-58.5-106.5 Renewals - reinstatements - fees. [Formerly**  
2           **12-58.5-105 (4)]** An applicant for licensure shall pay INITIAL  
3           REGISTRATION OR license, renewal, and reinstatement fees established by  
4           the director pursuant to section 24-34-105, C.R.S. All REGISTRATIONS OR  
5           licenses ~~shall~~ MUST be renewed or reinstated pursuant to a schedule  
6           established by the director and pursuant to section 24-34-102 (8), C.R.S.  
7           If a person fails to renew his or her REGISTRATION OR license pursuant to  
8           the schedule established by the director, the REGISTRATION OR license  
9           expires and the person OR AGENCY shall not hold PRESENT himself, or  
10           herself, out OR ITSELF as a licensed REGISTERED private investigator OR  
11           LICENSED PRIVATE INVESTIGATION AGENCY until he or she THE PERSON OR  
12           AGENCY pays the appropriate fees to reinstate the REGISTRATION OR  
13           license AND THE DIRECTOR REINSTATES THE REGISTRATION OR LICENSE.  
14           A PERSON OR AGENCY WHOSE REGISTRATION OR LICENSE EXPIRES AND  
15           WHO CONTINUES TO DO BUSINESS AS A PRIVATE INVESTIGATOR OR PRIVATE  
16           INVESTIGATION AGENCY IS SUBJECT TO THE PENALTIES PROVIDED IN THIS  
17           ARTICLE AND SECTION 24-34-102 (8), C.R.S.

18           **SECTION 6.** In Colorado Revised Statutes, **amend 12-58.5-106**  
19           as follows:

20           **12-58.5-106. Director's powers and duties - rules.** (1) THE  
21           DIRECTOR MAY CONSULT WITH PRIVATE INVESTIGATORS, LAW  
22           ENFORCEMENT, CONSUMER GROUPS, VICTIM ADVOCACY GROUPS, CIVIL  
23           LIBERTIES GROUPS, AND OTHER STAKEHOLDERS, AS NECESSARY, TO  
24           OBTAIN RECOMMENDATIONS AND FEEDBACK CONCERNING:

25           (a) THE REGULATION OF PRIVATE INVESTIGATORS AND PRIVATE  
26           INVESTIGATION AGENCIES PURSUANT TO THIS ARTICLE;

27           (b) PRIVACY LAWS AND ISSUES, NEW OR CHANGING TECHNOLOGY,

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

15 (2) In addition to all other powers and duties conferred or imposed  
16 upon the director by this article or by any other law, the director may:

17 (a) Promulgate rules pursuant to section 24-4-103, C.R.S., to  
18 implement this article, INCLUDING RULES TO:

19 (I) ESTABLISH THE FORM AND MANNER FOR APPLYING FOR A  
20 REGISTRATION OR LICENSE UNDER THIS ARTICLE;

21 (II) SPECIFY THE REQUIREMENTS FOR SATISFYING THE EXPERIENCE  
22 COMPONENT FOR OBTAINING AN AGENCY LICENSE PURSUANT TO SECTION  
23 12-58.5-301;

24 (III) DEFINE THE GENERALLY ACCEPTED STANDARDS OF PRACTICE  
25 FOR PRIVATE INVESTIGATORS AND PRIVATE INVESTIGATION AGENCIES;

26 (IV) SET THE AMOUNT OF THE SURETY BOND REQUIRED BY  
27 SECTION 12-58.5-302;

1           (V) ESTABLISH THE SUPERVISORY RESPONSIBILITIES OF AN AGENCY  
2           AND ITS DESIGNATED MANAGER OVER ITS REGISTERED PRIVATE  
3           INVESTIGATOR EMPLOYEES AND ESTABLISH THE PROCESS FOR AN AGENCY  
4           TO FOLLOW IF IT LOSES ITS DESIGNATED MANAGER; AND

5           (VI) ADDRESS ANY OTHER MATTERS DETERMINED NECESSARY OR  
6           ADVISABLE BY 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 REGISTRATIONS AND LICENSES AS PROVIDED IN THIS ARTICLE;

11           AND

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

15           **SECTION 7.** In Colorado Revised Statutes, 12-58.5-107, amend  
16           (1), (2), (4), (6) (b) (III), (10) (a), (11) (a), (11) (c) (III), (15), and (16) as  
17           follows:

18           **12-58.5-107. Disciplinary actions - rules - cease-and-desist**  
19           **orders.** (1) The director may deny, suspend, OR revoke or A  
20           REGISTRATION OR LICENSE, place A REGISTRANT OR LICENSEE on  
21           probation, a private investigator's license OR ISSUE A LETTER OF  
22           ADMONITION TO A REGISTRANT OR LICENSEE if the applicant, REGISTRANT,  
23           OR LICENSEE ENGAGES IN AN ACT OR OMISSION THAT CONSTITUTES  
24           GROUND FOR DISCIPLINE AS SPECIFIED IN SECTION 12-58.5-202 OR  
25           12-58.5-304, AS APPLICABLE.

26           (a) Violates any order of the director or any provision of this  
27           article or of rules established under this article;

1           (b) Fails to meet the requirements of section 12-58.5-105 or uses  
2 fraud, misrepresentation, or deceit in applying for or attempting to apply  
3 for a license;

4           (c) Is convicted of or has entered a plea of guilty or nolo  
5 contendere to a felony, to an offense, the underlying factual basis of  
6 which has been found by the court to involve unlawful sexual behavior,  
7 domestic violence, as defined in section 18-6-800.3 (1), C.R.S., or  
8 stalking, as defined in section 18-3-602, C.R.S.; or to violation of a  
9 protection order, as defined in section 18-6-803.5, C.R.S. In considering  
10 the disciplinary action, the director shall be governed by the provisions of  
11 section 24-5-101, C.R.S., in considering the conviction or plea;

12           (d) Has been subject to discipline related to the practice of private  
13 investigations in another jurisdiction. Evidence of disciplinary action in  
14 another jurisdiction is prima facie evidence for denial of a license or other  
15 disciplinary action if the violation would be grounds for disciplinary  
16 action in this state.

17           (2) The director may adopt rules establishing fines that he or she  
18 may impose on a REGISTRANT OR licensee, which rules must include a  
19 graduated fine structure with a maximum allowable fine of not more than  
20 three thousand dollars per violation. The director shall transmit any fines  
21 he or she collects from a REGISTRANT OR licensee to the state treasurer for  
22 deposit in the general fund.

23           (4) (a) The director may commence a proceeding to discipline a  
24 REGISTRANT OR licensee when the director has reasonable grounds to  
25 believe that the REGISTRANT OR licensee has committed an act enumerated  
26 OR OMISSION SPECIFIED in this section.

27           (b) In any proceeding held under this section, the director may

1 accept as evidence of grounds for disciplinary action any disciplinary  
2 action taken against a REGISTRANT OR licensee in another jurisdiction if  
3 the violation that prompted the disciplinary action in the other jurisdiction  
4 would be grounds for disciplinary action under this article.

5 (6) (b) (III) Upon failure of any witness, REGISTRANT, or licensee  
6 to comply with a subpoena or process, the district court of the county in  
7 which the subpoenaed person, REGISTRANT, or licensee resides or  
8 conducts business, upon application by the director with notice to the  
9 subpoenaed person, REGISTRANT, or licensee, may issue to the person,  
10 REGISTRANT, or licensee an order requiring the person, REGISTRANT, or  
11 licensee to appear before the director; to produce the relevant papers,  
12 books, records, documentary evidence, or materials if so ordered; or to  
13 give evidence touching the matter under investigation or in question. If  
14 the person, REGISTRANT, or licensee fails to obey the order of the court,  
15 the court may hold the person, REGISTRANT, or licensee in contempt of  
16 court.

17 (10) (a) If it appears to the director, based upon credible evidence  
18 as presented in a written complaint, that a REGISTRANT OR licensee is  
19 acting in a manner that is POSES an imminent threat to the health and  
20 safety of the public, or a person is ~~holding~~ CONDUCTING PRIVATE  
21 INVESTIGATIONS OR IS PRESENTING himself, or herself, ~~out~~ OR ITSELF as  
22 or is using the title "licensed REGISTERED private investigator", "PRIVATE  
23 INVESTIGATOR", "REGISTERED PRIVATE DETECTIVE", "PRIVATE  
24 DETECTIVE", "PRIVATE INVESTIGATION AGENCY", OR "LICENSED PRIVATE  
25 INVESTIGATION AGENCY" without having obtained a REGISTRATION OR  
26 license, AS APPLICABLE, PURSUANT TO THIS ARTICLE, the director may  
27 issue an order to cease and desist the activity. The director shall set forth

1 in the order the statutes and rules alleged to have been violated, the facts  
2 alleged to have constituted the violation, and the requirement that all  
3 unlawful acts or unregistered OR UNLICENSED practices immediately  
4 cease.

5 (11) (a) If it appears to the director, based upon credible evidence  
6 as presented in a written complaint, that a person has violated any other  
7 portion of this article, in addition to any specific powers granted pursuant  
8 to this article, the director may issue to the person an order to show cause  
9 as to why the director should not issue a final order directing the person  
10 to cease and desist from the unlawful act or unregistered OR UNLICENSED  
11 practice.

12 (c) (III) If the director reasonably finds that the person against  
13 whom the order to show cause was issued is acting or has acted without  
14 the required registration OR LICENSE or has or is about to engage in acts  
15 or practices constituting violations of this article, the director may issue  
16 a final cease-and-desist order directing the person to cease and desist  
17 from further unlawful acts or UNREGISTERED OR UNLICENSED practices.

18 (15) (a) When a complaint or investigation discloses an instance  
19 of misconduct that, in the opinion of the director, does not warrant formal  
20 action by the director but that should not be dismissed as being without  
21 merit, THE DIRECTOR MAY ISSUE AND SEND THE LICENSEE a letter of  
22 admonition. may be issued and sent, by certified mail, to the licensed  
23 private investigator.

24 (b) When the director sends a letter of admonition to a licensed  
25 REGISTERED private investigator OR LICENSED AGENCY, the director shall  
26 advise the private investigator OR AGENCY that ~~he or she~~ THE REGISTRANT  
27 OR LICENSEE has the right to request in writing, within twenty days after



1 receipt of the letter, that formal disciplinary proceedings be initiated to  
2 adjudicate the propriety of the conduct upon which the letter of  
3 admonition is based.

4 (c) If the licensed private investigator REGISTRANT OR LICENSEE  
5 timely requests adjudication, the director shall vacate the letter of  
6 admonition and process the matter by means of formal disciplinary  
7 proceedings.

8 (16) When a complaint or investigation discloses an instance of  
9 conduct that does not warrant formal action by the director and, in the  
10 opinion of the director, the complaint should be dismissed, but the  
11 director has noticed indications of possible errant conduct by the licensed  
12 REGISTERED private investigator OR LICENSED AGENCY that could lead to  
13 serious consequences if not corrected, the director may send the licensed  
14 private investigator REGISTRANT OR LICENSEE a confidential letter of  
15 concern.

16 **SECTION 8.** In Colorado Revised Statutes, **amend** 12-58.5-108  
17 as follows:

18 **12-58.5-108. Revocation.** A person OR AGENCY whose  
19 REGISTRATION OR license is revoked, OR WHO SURRENDERS A  
20 REGISTRATION OR LICENSE TO AVOID DISCIPLINARY PROCEEDINGS, is  
21 ineligible to apply for a REGISTRATION OR license under this article for at  
22 least two years after the date of revocation OR SURRENDER of the  
23 REGISTRATION OR license. The director shall treat a subsequent  
24 application for REGISTRATION OR licensure from a person OR AGENCY  
25 whose REGISTRATION OR license was revoked OR SURRENDERED as an  
26 application for a new REGISTRATION OR license under this article.

27 **SECTION 9.** In Colorado Revised Statutes, **amend** 12-58.5-110

1 as follows:

2 **12-58.5-110. Repeal of article - review of functions.** This article  
3 is repealed, effective September 1, 2016 2020. Prior to its THE repeal, THE  
4 DEPARTMENT OF REGULATORY AGENCIES SHALL REVIEW the powers,  
5 duties, and functions of the director regarding the licensure REGISTRATION  
6 of private investigators as specified in AND THE LICENSURE OF PRIVATE  
7 INVESTIGATION AGENCIES UNDER this article shall be reviewed as  
8 provided in section 24-34-104, C.R.S.

9 **SECTION 10. Repeal of relocated provisions in this act. In**  
10 **Colorado Revised Statutes, repeal 12-58.5-103 (6) (b), 12-58.5-105 (4),**  
11 **and 12-58.5-105.**

12 **SECTION 11. In Colorado Revised Statutes, 12-58.5-105, repeal**  
13 **(1), (2), and (3).**

14 **SECTION 12. In Colorado Revised Statutes, add parts 2 and 3**  
15 **to article 58.5 of title 12 as follows:**

16 **PART 2**

17 **PRIVATE INVESTIGATORS - REGISTRATIONS**

18 **12-58.5-201. Private investigator registration - qualifications**  
19 **- criminal history record check required. (1) A PRIVATE INVESTIGATOR**  
20 **APPLYING FOR A REGISTRATION PURSUANT TO THIS SECTION MUST SATISFY**  
21 **THE REQUIREMENTS FOR REGISTRATION AS SET FORTH IN THIS SECTION.**  
22 **THE DIRECTOR MAY ISSUE A REGISTRATION TO AN APPLICANT WHO, UPON**  
23 **APPLICATION IN THE FORM AND MANNER DETERMINED BY THE DIRECTOR,**  
24 **PAYMENT OF THE REQUIRED FEE, AND SATISFACTION OF THE**  
25 **REQUIREMENTS OF SUBSECTION (2) OF THIS SECTION, PROVIDES EVIDENCE**  
26 **SATISFACTORY TO THE DIRECTOR THAT HE OR SHE:**

27 **(a) IS AT LEAST TWENTY-ONE YEARS OF AGE;**

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

20           **12-58.5-202. Grounds for discipline.** (1) THE DIRECTOR MAY  
21           DISCIPLINE AN APPLICANT OR REGISTRANT PURSUANT TO SECTION  
22           12-58.5-107 IF THE APPLICANT OR REGISTRANT:

23           (a) VIOLATES AN ORDER OF THE DIRECTOR, A PROVISION OF THIS  
24           ARTICLE, OR A RULE ADOPTED UNDER THIS ARTICLE;

25           (b) FAILS TO MEET THE REQUIREMENTS OF SECTION 12-58.5-201 OR  
26           USES FRAUD, MISREPRESENTATION, OR DECEIT IN APPLYING FOR OR  
27           ATTEMPTING TO APPLY FOR A REGISTRATION;

1 (c) IS CONVICTED OF OR HAS ENTERED A PLEA OF GUILTY OR NOLO  
2 CONTENDERE TO A FELONY, TO AN OFFENSE THE UNDERLYING FACTUAL  
3 BASIS OF WHICH HAS BEEN FOUND BY THE COURT TO INVOLVE UNLAWFUL  
4 SEXUAL BEHAVIOR, DOMESTIC VIOLENCE, AS DEFINED IN SECTION  
5 18-6-800.3 (1), C.R.S., OR STALKING, AS DEFINED IN SECTION 18-3-602,  
6 C.R.S.; OR TO VIOLATION OF A PROTECTION ORDER, AS DEFINED IN  
7 SECTION 18-6-803.5, C.R.S. IN CONSIDERING THE DISCIPLINARY ACTION,  
8 THE DIRECTOR SHALL ACT IN ACCORDANCE WITH SECTION 24-5-101,  
9 C.R.S.:

10 (d) FAILS TO REPORT TO THE DIRECTOR AND THE REGISTRANT'S  
11 EMPLOYING AGENCY THE CONVICTION OF OR PLEA TO A CRIME SPECIFIED  
12 IN PARAGRAPH (c) OF THIS SUBSECTION (1);

13 (e) HAS BEEN SUBJECT TO DISCIPLINE RELATED TO THE PRACTICE  
14 OF PRIVATE INVESTIGATIONS IN ANOTHER JURISDICTION. EVIDENCE OF  
15 DISCIPLINARY ACTION IN ANOTHER JURISDICTION IS PRIMA FACIE EVIDENCE  
16 SUPPORTING DENIAL OF A REGISTRATION OR OTHER DISCIPLINARY ACTION  
17 IF THE VIOLATION WOULD BE GROUNDS FOR DISCIPLINARY ACTION IN THIS  
18 STATE;

19 (f) ADVERTISES OR PRESENTS ONESELF AS A REGISTERED PRIVATE  
20 INVESTIGATOR WITHOUT HOLDING AN ACTIVE REGISTRATION;

21 (g) PERFORMS PRIVATE INVESTIGATIONS FOR OR ON BEHALF OF AN  
22 AGENCY THAT IS NOT LICENSED UNDER THIS ARTICLE; OR

23 (h) COMMITS AN ACT OR OMISSION THAT FAILS TO MEET THE  
24 GENERALLY ACCEPTED STANDARDS OF PRACTICE FOR PRIVATE  
25 INVESTIGATORS.

26

PART 3

27

PRIVATE INVESTIGATION AGENCIES - LICENSURE

1            **12-58.5-301. Private investigation agency license -**  
2            **qualifications - designated manager requirements - criminal history**  
3            **record check required - rules.** (1) (a) A PRIVATE INVESTIGATION  
4            AGENCY APPLYING FOR A LICENSE ARTICLE MUST SATISFY THE  
5            REQUIREMENTS FOR LICENSURE AS SET FORTH IN THIS SECTION. THE  
6            DIRECTOR MAY ISSUE A LICENSE TO AN AGENCY APPLICANT THAT, UPON  
7            APPLICATION IN THE FORM AND MANNER DETERMINED BY THE DIRECTOR,  
8            PAYMENT OF THE REQUIRED FEE, AND SATISFACTION OF THE  
9            REQUIREMENTS OF SUBSECTION (2) OF THIS SECTION, PROVIDES EVIDENCE  
10           SATISFACTORY TO THE DIRECTOR THAT THE AGENCY:  
11                (I) IS A SOLE PROPRIETORSHIP, AND THE SOLE PROPRIETOR:  
12                (A) IS AT LEAST TWENTY-ONE YEARS OF AGE;  
13                (B) IS LAWFULLY PRESENT IN THE UNITED STATES;  
14                (C) DEMONSTRATES 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; AND  
18                (D) HAS VERIFIABLE, APPLICABLE EXPERIENCE AS A PRIVATE  
19            INVESTIGATOR OR EQUIVALENT EXPERIENCE WITH A LOCAL, STATE, OR  
20            FEDERAL LAW ENFORCEMENT AGENCY, MILITARY POLICE, THE FEDERAL  
21            BUREAU OF INVESTIGATION, OR OTHER EQUIVALENT EXPERIENCE; OR  
22                (II) IS A CORPORATION, PARTNERSHIP, FIRM, ASSOCIATION, OR  
23            OTHER BUSINESS ENTITY THAT HAS A DESIGNATED MANAGER WHO:  
24                (A) IS AT LEAST TWENTY-ONE YEARS OF AGE;  
25                (B) IS LAWFULLY PRESENT IN THE UNITED STATES;  
26                (C) OPERATES THE AGENCY, IS IN CHARGE OF THE SUPERVISION OF  
27            ALL PRIVATE INVESTIGATIONS CONDUCTED BY THE AGENCY, AND IS

1 RESPONSIBLE FOR NO MORE THAN ONE AGENCY AT A TIME;  
2 (D) DEMONSTRATES 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; AND  
6 (E) HAS VERIFIABLE, APPLICABLE EXPERIENCE AS A PRIVATE  
7 INVESTIGATOR OR EQUIVALENT EXPERIENCE WITH A LOCAL, STATE, OR  
8 FEDERAL LAW ENFORCEMENT AGENCY, MILITARY POLICE, THE FEDERAL  
9 BUREAU OF INVESTIGATION, OR OTHER EQUIVALENT EXPERIENCE.  
10 (b) THE DIRECTOR SHALL DETERMINE, BY RULE, THE AMOUNT AND  
11 TYPE OF EXPERIENCE, WHICH MAY INCLUDE POSTSECONDARY EDUCATION,  
12 THAT A SOLE PROPRIETOR AGENCY APPLICANT OR DESIGNATED MANAGER  
13 OF AN AGENCY APPLICANT MUST HAVE TO SATISFY THE EXPERIENCE  
14 REQUIREMENTS OF PARAGRAPH (a) OF THIS SUBSECTION (1).  
15 (2) IN ADDITION TO THE REQUIREMENTS OF SUBSECTION (1) OF THIS  
16 SECTION, THE SOLE PROPRIETOR OR DESIGNATED MANAGER OF AN AGENCY  
17 APPLICANT, AS APPLICABLE, SHALL HAVE HIS OR HER FINGERPRINTS TAKEN  
18 BY A LOCAL LAW ENFORCEMENT AGENCY FOR THE PURPOSE OF OBTAINING  
19 A FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK. THE APPLICANT  
20 IS REQUIRED TO SUBMIT PAYMENT BY CERTIFIED CHECK OR MONEY ORDER  
21 FOR THE FINGERPRINTS AND FOR THE ACTUAL COSTS OF THE RECORD  
22 CHECK AT THE TIME THE FINGERPRINTS ARE SUBMITTED TO THE  
23 COLORADO BUREAU OF INVESTIGATION. UPON RECEIPT OF FINGERPRINTS  
24 AND PAYMENT FOR COSTS, THE COLORADO BUREAU OF INVESTIGATION  
25 SHALL CONDUCT A STATE AND NATIONAL FINGERPRINT-BASED CRIMINAL  
26 HISTORY RECORD CHECK UTILIZING RECORDS OF THE COLORADO BUREAU  
27 OF INVESTIGATION AND THE FEDERAL BUREAU OF INVESTIGATION AND

1 SHALL FORWARD THE RESULTS OF THE CRIMINAL HISTORY RECORD CHECK  
2 TO THE DIRECTOR.

3 **12-58.5-302. Surety bond required - rules.** A LICENSED PRIVATE  
4 INVESTIGATION AGENCY SHALL NOT ENGAGE IN PRIVATE INVESTIGATION  
5 ACTIVITIES, AND SHALL NOT EMPLOY REGISTERED PRIVATE INVESTIGATORS  
6 TO ENGAGE IN PRIVATE INVESTIGATIONS ON THE AGENCY'S BEHALF,  
7 UNLESS THE LICENSED AGENCY POSTS AND MAINTAINS, OR IS COVERED BY,  
8 A SURETY BOND IN AN AMOUNT DETERMINED BY THE DIRECTOR BY RULE.  
9 THE BOND MUST BE SUFFICIENT TO COVER THE REGISTERED PRIVATE  
10 INVESTIGATORS EMPLOYED BY THE LICENSED AGENCY.

11 **12-58.5-303. Agency responsibilities - rules.** IF A LICENSED  
12 AGENCY IS A CORPORATION, PARTNERSHIP, FIRM, ASSOCIATION, OR OTHER  
13 BUSINESS ENTITY OTHER THAN A SOLE PROPRIETORSHIP, THE LICENSED  
14 AGENCY SHALL HAVE A DESIGNATED MANAGER AT ALL TIMES TO OVERSEE  
15 THE PRIVATE INVESTIGATION OPERATIONS OF THE AGENCY AND TO  
16 SUPERVISE THE REGISTERED PRIVATE INVESTIGATOR EMPLOYEES OF THE  
17 AGENCY. THE DIRECTOR, BY RULE, MAY ESTABLISH THE SUPERVISORY  
18 RESPONSIBILITIES OF AN AGENCY OVER ITS REGISTERED PRIVATE  
19 INVESTIGATOR EMPLOYEES AND THE PROCESS FOR AN AGENCY TO FOLLOW  
20 IF IT LOSES ITS DESIGNATED MANAGER.

21 **12-58.5-304. Grounds for discipline.** (1) THE DIRECTOR MAY  
22 DISCIPLINE AN APPLICANT OR LICENSEE PURSUANT TO SECTION  
23 12-58.5-107 IF THE APPLICANT OR LICENSEE, OR THE DESIGNATED  
24 MANAGER OF OR REGISTRANT EMPLOYED BY THE APPLICANT OR LICENSEE:

25 (a) VIOLATES AN ORDER OF THE DIRECTOR, A PROVISION OF THIS  
26 ARTICLE, OR A RULE ADOPTED UNDER THIS ARTICLE;

27 (b) FAILS TO MEET THE REQUIREMENTS OF SECTION 12-58.5-301 OR

1 USES FRAUD, MISREPRESENTATION, OR DECEIT IN APPLYING FOR OR  
2 ATTEMPTING TO APPLY FOR A LICENSE;

3 (c) IS CONVICTED OF OR HAS ENTERED A PLEA OF GUILTY OR NOLO  
4 CONTENDERE TO A FELONY, TO AN OFFENSE THE UNDERLYING FACTUAL  
5 BASIS OF WHICH HAS BEEN FOUND BY THE COURT TO INVOLVE UNLAWFUL  
6 SEXUAL BEHAVIOR, DOMESTIC VIOLENCE, AS DEFINED IN SECTION  
7 18-6-800.3 (1), C.R.S., OR STALKING, AS DEFINED IN SECTION 18-3-602,  
8 C.R.S.; OR TO VIOLATION OF A PROTECTION ORDER, AS DEFINED IN  
9 SECTION 18-6-803.5, C.R.S. IN CONSIDERING THE DISCIPLINARY ACTION,  
10 THE DIRECTOR SHALL ACT IN ACCORDANCE WITH SECTION 24-5-101,  
11 C.R.S.;

12 (d) FAILS TO REQUIRE THE DESIGNATED MANAGER OR A  
13 REGISTRANT EMPLOYED BY THE LICENSEE TO REPORT TO THE DIRECTOR  
14 A CRIMINAL CONVICTION OF OR PLEA TO A CRIME SPECIFIED IN PARAGRAPH  
15 (c) OF THIS SUBSECTION (1);

16 (e) IS A SOLE PROPRIETOR AND FAILS TO REPORT HIS OR HER OWN  
17 CRIMINAL CONVICTION OF OR PLEA TO A CRIME SPECIFIED IN PARAGRAPH  
18 (c) OF THIS SUBSECTION (1);

19 (f) FAILS TO REVIEW THE CRIMINAL HISTORY OF THE DESIGNATED  
20 MANAGER OR A REGISTRANT EMPLOYED BY THE LICENSEE IN ACCORDANCE  
21 WITH A SCHEDULE ESTABLISHED BY THE DIRECTOR BY RULE;

22 (g) 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 SUPPORTING DENIAL OF A LICENSE OR OTHER DISCIPLINARY ACTION IF THE  
26 VIOLATION WOULD BE GROUNDS FOR DISCIPLINARY ACTION IN THIS STATE;

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



1 GENERALLY ACCEPTED STANDARDS OF PRACTICE FOR PRIVATE  
2 INVESTIGATION AGENCIES;

3 (i) FAILS TO COMPLY WITH SURETY BOND REQUIREMENTS AS  
4 SPECIFIED IN SECTION 12-58.5-302;

5 (j) FAILS TO ADEQUATELY SUPERVISE ITS EMPLOYEE REGISTRANTS  
6 WHO PERFORM PRIVATE INVESTIGATIONS ON THE AGENCY'S BEHALF;

7 (k) EMPLOYS OR USES A PRIVATE INVESTIGATOR TO PERFORM  
8 PRIVATE INVESTIGATIONS FOR THE AGENCY IF THE PRIVATE INVESTIGATOR  
9 DOES NOT POSSESS A VALID, ACTIVE REGISTRATION;

10 (l) ADVERTISES OR PRESENTS ITSELF AS A LICENSED AGENCY  
11 WITHOUT HOLDING AN ACTIVE AGENCY LICENSE;

12 (m) ENGAGES IN FALSE OR MISLEADING ADVERTISING,  
13 MISREPRESENTATION, OR FRAUD;

14 (n) CONTRACTS WITH A REGISTERED PRIVATE INVESTIGATOR TO  
15 PERFORM PRIVATE INVESTIGATIONS ON BEHALF OF THE LICENSED AGENCY;

16 OR

17 (o) IS A CORPORATION, PARTNERSHIP, FIRM, ASSOCIATION, OR  
18 BUSINESS ENTITY OTHER THAN A SOLE PROPRIETORSHIP AND:

19 (I) FAILS TO EMPLOY AND MAINTAIN A DESIGNATED MANAGER  
20 WHO SATISFIES THE QUALIFICATIONS IN SECTION 12-58.5-301 (1) (a) (II)  
21 TO OPERATE THE AGENCY AND SUPERVISE ITS OPERATIONS UNLESS THE  
22 AGENCY LOSES ITS DESIGNATED MANAGER AND FOLLOWS THE PROCESS  
23 SPECIFIED IN THE DIRECTOR'S RULES ADOPTED UNDER SECTION  
24 12-58.5-303; OR

25 (II) EMPLOYS A DESIGNATED MANAGER WHO SERVES AS A  
26 DESIGNATED MANAGER FOR MORE THAN ONE LICENSED AGENCY.

27 **SECTION 13. In Colorado Revised Statutes, 24-34-104, repeal**

1 (47.5) (i); and add (51.5) (h) as follows:

2 **24-34-104. General assembly review of regulatory agencies**  
3 **and functions for termination, continuation, or reestablishment.**

4 (47.5) The following agencies, functions, or both, shall terminate on  
5 September 1, 2016:

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

9 (51.5) The following agencies, functions, or both, terminate on  
10 September 1, 2020:

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

15 **SECTION 14. 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~~ REGISTERED  
24 pursuant to ~~section 12-58.5-105~~ SECTION 12-58.5-201, C.R.S., licensed  
25 private ~~investigative~~ INVESTIGATION agency LICENSED PURSUANT TO  
26 SECTION 12-58.5-301, or licensed security service for any purpose  
27 permitted under this paragraph (b):

1            **SECTION 15. 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.