

## DEPARTMENT OF REGULATORY AGENCIES

### Division of Professions and Occupations

#### Office of Private Investigator Licensing

#### 4 CCR 750-1

### PRIVATE INVESTIGATOR LICENSURE RULES AND REGULATIONS

*[Editor's Notes follow the text of the rules at the end of this CCR Document.]*

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#### Authority

Basis: The registration and regulation of Private Investigators is found in Title 12 ("Professions and Occupations"), Article 58.5 ("Private Investigators") of the Colorado Revised Statutes. These rules are promulgated pursuant to C.R.S. §§ 12-58.5-106(1)(b)(II), 107, 108(2)(a), and 109(2).

#### Scope and purpose

These rules are promulgated in order to carry out the powers and duties of the Director of the Division of Professions and Occupations, Department of Regulatory Agencies ("Director") pursuant to Article 58.5 of Title 12, C.R.S. These Rules shall be binding on every person authorized to practice, offering to practice, or performing private investigation services in Colorado. All persons licensed Article 58.5 of Title 12, C.R.S., are charged with having knowledge of the existence of these rules and shall be deemed to be familiar with their provisions and to understand the rules.

These Rules are severable. If one rule or portion of a rule is found to be invalid, all other rules or portions of rules that can be enforced without the invalid rules shall be enforced and shall remain valid.

#### Rule 1 – Definitions

Purpose: The purpose of this rule is to define terms used in the Private Investigator rules and statutes.

- A. "Applicant" means a person who applies for an initial or renewal license as a private investigator.
- B. "Cause analysis" or "Failure analysis," means an investigation conducted by a licensed professional engineer acting within the scope of the practice of engineering.
- C. "Certified fraud examiner" means a person certified by the Association of Certified Fraud Examiners, or its successor organization, as a Certified Fraud Examiner ("CFE").
- D. "Claims adjustment or claims investigation" means an investigation undertaken to determine the validity of an insurance claim.
- E. "Client" means any person who engages the services of a private investigator or private detective.
- F. "Director" means the Director of the Division of Professions and Occupations, or the Director's Designee.

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- G. "Division" means the Division of Professions and Occupations in the Colorado Department of Regulatory Agencies.
- H. "Employee" means a person who is hired for a wage, salary, fee, or payment to perform work for an employer, and to whom the employer provides or will provide Internal Revenue Service Form W-2 for work performed.
- I. "Independent contractor" means a person who performs work for another, but who is not an employee.
- J. "Internal investigation" means an investigation undertaken within a company or organization to uncover the truth about alleged misconduct within the organization or company, conducted by an employee of and on behalf of the company or organization.
- K. "Genealogist" means a person who traces or studies the descent of persons or families.
- L. "Journalist" means a person who investigates and reports events, issues, and trends to audiences in print, broadcast, and/or online media.
- M. "Level I Private Investigator" means a private investigator licensed as such by the Director.
- N. "Level II Private Investigator" means a private investigator licensed as such by the Director.
- O. "Licensee" means a private investigator licensed by the Director as a Level I or Level II Private Investigator.
- P. "Person" means an individual, firm, company, association, organization, partnership, or corporation.
- Q. "Private Investigation" means undertaking an investigation for the purpose of obtaining information for others pertaining to:
1. A crime, wrongful act, or threat against the United States or any State or Territory of the United States;
  2. The identity, reputation, character, habits, conduct, business occupation, honesty, integrity, credibility, knowledge, trustworthiness, efficiency, loyalty, activity, movements, whereabouts, affiliations, associations, or transactions of a person, group of persons, or organization;
  3. The credibility of witnesses or other persons;
  4. The whereabouts of missing persons;
  5. The determination of the owners of abandoned property;
  6. The causes and origin of, or responsibility for, libel, slander, a loss, an accident, damage, or an injury to a person or to real or personal property;
  7. The business of securing evidence to be used before an investigatory committee, board of award or arbitration, administrative body, or officer or in the preparation for or in a civil or criminal trial;

8. The business of locating persons who have become delinquent in their lawful debts, when the private investigator locating the debtor is hired by an individual or collection agency;
  9. The location or recovery of lost or stolen property;
  10. 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;
  11. The conduct, honesty, efficiency, loyalty, or activities of employees, persons seeking employment, agents, contractors, or subcontractors; or
  12. The identity of persons suspected of crimes or misdemeanors.
- R. "Private Investigator" or "Private Detective" means a natural person who, for a fee, reward, compensation, or other consideration, engages in a business or accepts employment to conduct private investigations.
- S. "Service of process" means the delivery of legal papers to a person required to respond to them.

## **Rule 2 – Jurisdiction for Regulation of Private Investigators**

Purpose: The purpose of this rule is to specify what parties are subject to these rules as required by C.R.S. § 12-58.5-104 as well as to clarify what activities or professions are exempted from these rules, as required in C.R.S § 12-58.5-105.

- A. A Private Investigator must be licensed in Colorado if he or she is conducting private investigations in Colorado.
- B. Exemptions from Licensure: Licensure as a Private Investigator is not required for the following:
1. A collection agency or consumer reporting agency as defined in C.R.S. § 12-14-103(2) and (4.5), respectively.
  2. A person conducting an investigation on the person's own behalf, or an employee of any employer conducting an internal investigation on behalf of his or her employer.
  3. An attorney licensed to practice law in Colorado, an employee of a licensed attorney, or a person under contract to perform paralegal services for a licensed attorney;
  4. A certified peace officer of a law enforcement agency operating in his or her official capacity;
  5. A certified public accountant authorized to provide accounting services in Colorado pursuant to Title 12, Article 2 of the Colorado Revised Statutes;
  6. An employee of a certified public accountant;
  7. An employee or affiliate of an accounting firm registered pursuant to C.R.S. §12-2-117;

8. A person who conducts forensic accounting, fraud investigations, or other related analysis of financial transactions based on information that is either publicly available or provided by clients or other third parties and who is:
  - a. An accountant or public accountant who is not regulated in the State of Colorado;
  - b. A certified fraud examiner; or
  - c. An employee or independent contractor under the guidance of an accountant, public accountant, or certified fraud examiner.
9. A person who aggregates public records and charges a fee for accessing the aggregated public records data;
10. A person employed by an insurance company who is conducting claims adjustment or claims investigation for the purposes of an insurance claim;
11. An investigator employed or contracted by a public or governmental agency;
12. A journalist or genealogist;
13. A person serving process within Colorado, performing his or her duties in compliance with the Colorado or Federal Rules of Civil Procedure or in accordance with applicable foreign state court rules or laws pertaining to service of foreign process within this state, or performing any task associated with effecting service of process, all of which includes inquiries related to effective proper service of process and resulting supporting proofs, declarations, affidavits of service, or declarations or affidavits of due diligence to support alternative methods of service of process; except that a process server who performs private investigations outside the efforts to effect service of process is not exempt from the license requirements and must obtain a license as a private investigator in order to perform those private investigations;
14. A person attempting to recover a fugitive when that person is a bail bonding agent or cash-bonding agent qualified to write bail bonds pursuant to Title 10, Article 23 of the Colorado Revised Statutes, or is acting pursuant to a contract with or at the request of a qualified bail bonding agent or cash-bonding agent;
15. An owner, employee, or independent contractor of an agency conducting an investigation to determine the origin and cause of a fire or explosion;
16. An owner, employee, or independent contractor of an agency conducting an investigation for cause analysis or failure analysis where the investigation is conducted by an engineer licensed pursuant to Title 12, Article 25 of the Colorado Revised Statutes acting within his or her area of expertise and within the scope of the practice of engineering;
17. Any other person holding a license issued by the authority of Title 12 of the Colorado Revised Statutes and practicing within the scope of his or her practice.

**Rule 3 – Application for Licensure**

Purpose: The purpose of this rule is to specify the form and manner of an application for private investigator licensure, as required in C.R.S § 12-58.5-106(1) and C.R.S § 12-58.5-107.

- A. An applicant for a Level I Private Investigator License shall meet the following requirements:
  - 1. Apply in a manner determined by the Director, submitting the appropriate fee determined by the Director;
  - 2. Be at least twenty-one (21) years of age;
  - 3. Be lawfully present in the United States;
  - 4. Take and pass a jurisprudence examination developed and approved by the Director to demonstrate knowledge and understanding of the laws and rules affecting the ethics and activities of private investigators;
  - 5. Undergo a state and national fingerprint-based criminal history record check utilizing records of the Colorado Bureau of Investigation and the Federal Bureau of Investigation. The applicant, at his or her own expense, shall have his or her fingerprints taken by a local law enforcement agency for submission to the Colorado Bureau of Investigation; and
  - 6. Attest that the applicant will post and maintain, or be covered by, a surety bond as described in Rule 4.
  
- B. An applicant for a Level II Private Investigator License shall meet the following requirements:
  - 1. Apply in a manner determined by the Director, submitting the appropriate fee determined by the Director;
  - 2. Be at least twenty-one (21) years of age;
  - 3. Be lawfully present in the United States;
  - 4. Take and pass a jurisprudence examination developed and approved by the Director to demonstrate knowledge and understanding of the laws and rules affecting the ethics and activities of private investigators;
  - 5. Undergo a state and national fingerprint-based criminal history record check utilizing records of the Colorado Bureau of Investigation and the Federal Bureau of Investigation. The applicant, at his or her own expense, shall have his or her fingerprints taken by a local law enforcement agency for submission to the Colorado Bureau of Investigation;
  - 6. Attest that the applicant will post and maintain, or be covered by, a surety bond as described in Rule 4; and
  - 7. Attest, in a manner approved by the Director, of at least 4,000 hours of applicable experience in any of the following:
    - a. As a private investigator or private detective.

- b. Conducting investigations with a local, state, or federal law enforcement agency.
  - c. Any degree conferred by a college or university counts for experience in the following manner:
    - i. A two-year degree will satisfy 1,000 hours of the 4,000 hour experience requirement.
    - ii. A baccalaureate degree will satisfy 2,000 hours of the 4,000 hour experience requirement.
    - iii. A master's or juris doctorate degree will satisfy 3,000 hours of the 4,000 hour experience requirement.
  - d. Pursuant to C.R.S. § 24-34-102(8.5), investigative experience gained in military education, training, or service.
  - e. Upon selection for a compliance audit with this Rule 3, it is the applicant's responsibility to provide timely and complete evidence for the Director's review and consideration. The applicant must submit documentation supporting the assertion that the applicant meets the applicable licensing requirements attested to within 30 days of the audit notice. Failure to do so is grounds for discipline.
- C. An application is deemed received on the date that it is date-stamped as received by the Division of Professions and Occupations ("application receipt date"). An application for a license submitted without all required fees and documentation will be considered incomplete. Incomplete applications will be retained for one (1) year from the application receipt date, after which applicants shall be required to begin the application process again including payment of the application fee. The Director will not consider or review an incomplete application.
- D. Any use of fraud, misrepresentation or deceit in applying for or attempting to apply for a license is subject to discipline.

#### **Rule 4 – Surety Bond**

Purpose: The purpose of this rule is to specify the form and manner whereby private investigators must post and maintain, or be covered by, a surety bond, as required in C.R.S § 12-58.5-107.

- A. All Level I and Level II Private Investigators may not engage in private investigation activities unless the licensee posts and maintains, or is covered by, a surety bond in the amount of at least ten thousand dollars (\$10,000).
- B. Each licensee shall maintain this surety bond for the duration of time he or she is licensed and actively engaged in private investigation activities as a Level I or Level II Private Investigator. The licensee may change surety bond providers but there shall be no gap in coverage.
- C. Any failure to maintain or be covered by a complying surety bond shall be grounds for discipline under C.R.S. § 12-58.5-109.

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**Rule 5 – Duty to report change of contact information to the Director’s office**

Purpose: The purpose of this rule is to establish and clarify the requirements for licensees to notify the Director of a change in contact information, as required for the administration of the program under C.R.S. § 12-58.5-108(2).

- A. Licensees shall notify the Director of any name, address, telephone, or email change within 30 days of the change in a manner prescribed by the Director. The Director will not change the licensee’s information without explicit notification in the manner prescribed by the Director.
- B. One or more of the following forms of documentation is necessary to change a name or correct a social security number:
  - 1. Marriage license;
  - 2. Divorce decree;
  - 3. Court order; or
  - 4. A driver’s license or social security card with a second form of identification may be acceptable at the discretion of the Director.

**Rule 6 – Declaratory orders**

Purpose: The purpose of this rule is to establish procedures for the handling of requests for declaratory orders filed pursuant to the Colorado Administrative Procedure Act at C.R.S § 24-4-105(11).

- A. Any person or entity may petition the Director for a declaratory order to terminate controversies or remove uncertainties as to the applicability of any statutory provision or of any rule or order of the Director.
- B. The Director will determine, in the Director’s discretion and without notice to petitioner, whether to rule upon any such petition. The Director shall promptly notify the petitioner of the Director’s action and state the reasons for such action.
- C. In determining whether to rule upon a petition filed pursuant to this rule, the Director will consider the following matters, among others:
  - 1. Whether a ruling on the petition will terminate a controversy or remove uncertainties.
  - 2. Whether the petition involves any subject, question or issue which is the subject of a formal or informal matter or investigation currently pending before the Director or a court involving one or more of the petitioners.
  - 3. Whether the petition involves any subject, question or issue which is the subject of a formal or informal matter or investigation currently pending before the Director or a court but not involving any petitioner.
  - 4. Whether the petition seeks a ruling on a moot or hypothetical question or will result in an advisory ruling or opinion.

5. Whether the petitioner has some other adequate legal remedy, other than an action for declaratory relief pursuant to Rule 57, Colorado Rules of Civil Procedure, which will terminate the controversy or remove any uncertainty as to the applicability to the petitioner of the statute, rule or order in question.
- D. Any petition filed pursuant to this rule shall set forth the following:
1. The name and address of the petitioner and whether the petitioner is licensed pursuant to Title 12, Article 58.5.
  2. The statute, rule or order to which the petition relates.
  3. A concise statement of all of the facts necessary to show the nature of the controversy or uncertainty and the manner in which the statute, rule or order in question applies or potentially applies to the petitioner.
- E. If the Director determines to rule on the petition, the following procedure shall apply:
1. The Director may rule upon the petition based solely upon the facts presented in the petition. In such case:
    - a. Any ruling of the Director will apply only to the extent of the facts presented in the petition and any amendment to the petition.
    - b. The Director may order the petitioner to file a written brief, memorandum or statement of position.
    - c. The Director may set the petition, upon due notice to petitioner, for a non-evidentiary hearing.
    - d. The Director may dispose of the petition on the sole basis of the matters set forth in the petition.
    - e. The Director may request the petitioner to submit additional facts in writing. In such event, such additional facts will be considered as an amendment to the petition.
    - f. The Director may take administrative notice of facts pursuant to the State Administrative procedures Act §24-4-105(8), C.R.S., and may utilize available experience, technical competence and specialized knowledge in the disposition of the petition.
  2. If the Director rules upon the petition without a hearing, the Director shall promptly notify the petitioner of the decision.



3. The Director may, in the Director's discretion, set the petition for hearing, upon due notice to petitioner, for the purpose of obtaining additional facts or information or to determine the truth of any facts set forth in the petition or to hear oral argument on the petition. The notice to the petitioner setting forth such hearing shall set forth, to the extent known, the factual or other matters into which the Director intends to inquire. For the purpose of such a hearing, to the extent necessary, the petitioner shall have the burden of proving all of the facts stated in the petition, all of the facts necessary to show the nature of the controversy or uncertainty and the manner in which the statute, rule or order in question applies or potentially applies to the petitioner and any other facts the petitioner desires the Director to consider.
- F. The parties to any proceeding pursuant to this rule shall be the Director and the petitioner. Any other person may seek leave of the Director to intervene in such a proceeding, and leave to intervene will be granted at the sole discretion of the Director. A petition to intervene shall set forth the same matters as required in D of this rule. Any reference to a "petitioner" in this rule also refers to any person who has been granted leave to intervene by the Director.
- G. Any declaratory order or other order disposing of a petition pursuant to this rule shall constitute final agency action subject to judicial review pursuant to § 24-4-106, C.R.S.

#### **Rule 7 – Renewal and Reinstatement**

Purpose: The purpose of this rule is to describe the form and manner of renewing and reinstating a Private Investigator license, as required in C.R.S § 12-58.5-106(3).

- A. Renewal: Licensees shall renew their license as determined by the Director.
  1. A licensee shall have a sixty (60) day grace period after license expiration to renew such license without the imposition of a disciplinary sanction for practicing on an expired license. During this grace period, a delinquency fee shall be charged for late renewal.
  2. A licensee or registrant who does not renew such license or registration within the sixty (60) day grace period shall be deemed as having an expired license and shall be ineligible to practice until such license is reinstated. If the licensee practices with an expired license, the Director may impose discipline.
- B. A Private Investigator applying for reinstatement of an expired license shall complete a reinstatement application and pay a reinstatement fee in the manner approved by the Director.
- C. If the license has been expired for more than two (2) years from the date of receipt of the reinstatement application, an applicant shall:
  1. Establish competency to practice as follows:
    - i. Verification of license in good standing from another state along with proof of active practice in that state for the year previous to the date of receipt of the reinstatement application;
    - ii. Retaking and achieving a passing score on the Private Investigator jurisprudence examination; or

- iii. By any other means approved by the Director.
  2. Undergo a state and national fingerprint-based criminal history record check utilizing records of the Colorado Bureau of Investigation and the Federal Bureau of Investigation. The applicant, at his or her own expense, shall have his or her fingerprints taken by a local law enforcement agency for submission to the Colorado Bureau of Investigation.
- D. An applicant for reinstatement who has actively practiced in Colorado with an expired license in violation of C.R.S. § 12-58.5-104(1)(a) and C.R.S. § 12-58.5-104(1)(b) is subject to denial of application, disciplinary action, and/or other penalties in accordance with C.R.S. § 24-34-102 et seq.

### Rule 8 – Standards of Practice

Purpose: The purpose of this rule is to list and define generally accepted standards of practice in the Private Investigator profession, as specified in C.R.S. § 12-58.5-108(2)(a)(III).

- A. Contracts
1. A licensee shall enter into written contract with each client, except as detailed in this rule. A licensee is deemed to have entered into a written contract if the licensee's employer has entered into a contract that complies with the requirements of this Rule 8(A).
  2. The contract must include, at minimum, the following:
    - a. The date of the contract;
    - b. The parties to the contract;
    - c. A description of the services to be provided;
    - d. A description of the fees required for the services to be provided;
    - e. A description of how or when the contract will terminate or may be terminated by one or both parties;
    - f. A statement indicating that the client has the right to receive both an oral and written report; and
    - g. A statement indicating the number of days after a client's request by which a licensee must provide a written report to the client.
  3. A copy of the contract shall be furnished to the client.
  4. Nothing in this Rule 8(A) requires a contract to be executed for each assignment or investigation. A licensee's contract with a client may cover numerous assignments or investigations.
  5. A written contract is not required under any of the following circumstances:
    - a. In an emergency situation when the services of the licensee are required and there is no time to enter into a written contract before conducting the services;

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- b. When providing services to an attorney;
  - c. When providing services to another licensee; or
  - d. When providing services to an insurance company.
- B. Conflicts of Interest
- 1. A licensee shall not represent more than one party in an investigation unless the licensee fully discloses such relationship to the parties involved.
  - 2. The licensee shall not accept compensation, financial or otherwise, from more than one party for services on or relating to the same investigation, set of circumstances, court case, or issues unless all interested parties consent in writing after full disclosure by the licensee.
  - 3. The licensee shall avoid all known conflicts of interest with his or her employer or client, and shall promptly inform his or her employer or client of any business association, interest, or circumstance which could influence his or her judgment or the quality of his or her services. When such a conflict is unavoidable, the licensee shall forthwith disclose the circumstances to his or her employer or client. A conflict exists when a private investigator, because of some personal interest, finds it difficult to devote himself or herself with loyalty and singleness of purpose to the best interest of his or her client or employer.
  - 4. The licensee shall take reasonable steps to ascertain the existence of potential conflicts of interest among his or her employers or clients.
- C. Confidentiality
- 1. Except as required by state or federal law, the licensee shall keep all information obtained in all cases confidential and for the use of the client only.
  - 2. This rule shall not be construed to:
    - a. Limit a client's ability to waive confidentiality;
    - b. Affect in any way the licensee's obligation to comply with a validly issued and enforceable subpoena or summons;
    - c. Prohibit review of a licensee's professional practice by the Director; or
    - d. Prohibit a licensee from utilizing any such relevant information in the defense of a claim asserted against a licensee.
- D. Recordkeeping
- 1. Licensees shall keep separate and distinct files for each client. These files shall be kept for a minimum of seven (7) years from the date the investigation is completed.
  - 2. All records of each licensee must be kept in a reasonably secure manner to prevent access by unauthorized parties. Each record must contain at least the following:

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- a. All contracts and written agreements with the client;
  - b. Date investigative activities began;
  - c. Any final written report;
  - d. Accurate accounting of time spent;
  - e. Accurate accounting of activities conducted; and
  - f. Accurate accounting of expenses incurred by the licensee during the course of the investigation.
3. Records must be preserved in a manner that they are reasonably safe from intentional or accidental destruction and degradation.
  4. Records shall be stored in a readily accessible manner. "Readily accessible" means in a form that can be produced within ten (10) days of demand, under ordinary business conditions.
  5. Record destruction shall occur in a manner that ensures the records cannot be reconstructed.
- E. Advertising
1. No licensee shall publish or cause to be published any advertisement, letterhead, circular, statement, or phrase of any sort which suggests that the licensee is an official law enforcement or investigative agency.
  2. Any vehicle used by the licensee that is marked in any manner by the use of painted signs, decals, or other means shall not be of a design so similar to those of local, state, federal, or military authorities as to create confusion.
  3. A licensee shall not falsify or permit misrepresentation of his or her academic or professional qualifications. He or she shall not misrepresent or exaggerate his or her degree of responsibility in or for the subject matter of prior assignments.
  4. In the course of business as a private investigator, a licensee shall not wear, use, or display a badge, shield, or star that substantially resembles a badge, shield, or star used by a local, state, or federal law enforcement agency.
  5. A licensee must not use false, misleading, or deceptive advertising.
- F. Business Standards and Compliance with Laws
1. A licensee shall obtain all necessary permits to conduct his or her business, included those to carry firearms, as applicable.
  2. If carrying a concealed firearm, the licensee must have the permit on his or her person.
  3. A licensee must not pretend to be a law enforcement officer or a peace officer including, but not limited to:
    - a. Operating a motor vehicle with flashing red or blue lights;

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- b. Wearing a uniform that closely resembles in style, color, accessories, or insignia the uniforms of law enforcement in whose jurisdiction the licensee conducts business.
4. A licensee must not advise any person to engage in an illegal act or course of conduct.
  5. A licensee must not violate state or federal laws, rules or regulations related to the care, handling or use of firearms or other dangerous weapons.
  6. A licensee must not neglect, fail, or refuse to render professional services to any person solely because of that person's age, race, color, disability, sex, sexual orientation, religion, creed, national origin, marital status, lawful source of income, or ancestry.
  7. A licensee shall not fraudulently bill or charge a client. A licensee must provide clients with a complete and comprehensive itemized statement of services and expenses within seven (7) business days after having been requested to do so by the client.
  8. A licensee must not obtain or attempt to obtain anything of value from a client without the client's consent.
  9. In providing private investigator services, the licensee shall take into account all applicable laws and regulations and not knowingly provide services resulting in the violation of such laws and regulations.
  10. The licensee shall be accurate and truthful in all professional reports, statements or testimony. He or she shall include all relevant and pertinent information on such reports, statement, or testimony.
  11. No licensee shall knowingly associate with, or permit the use of his or her name in a business venture by any person or firm which he or she knows, or has reason to believe, is engaging in business or professional practice of a fraudulent or dishonest nature.
  12. A licensee may not knowingly violate a court order or injunction in the course of business as an investigator.
  13. Licensees shall obey all applicable federal, state, and local laws, including but not limited to criminal laws. "Criminal laws" include the penal ordinances and regulations of a political subdivision of a state or the agencies of the federal government. These criminal laws include but are not limited to those that involve stalking, harassment, invasion of privacy, wiretapping, credit reporting, and those that involve protection orders against defendants.
  14. A licensee shall not knowingly disclose the location of a person covered by a protection order to any party against whom the protection order has been issued.
- G. Other Generally Accepted Standards of Practice. A licensee shall not engage in the practice of private investigation incompetently or in any other manner that is outside the generally accepted standards of practice of the licensed private investigations industry, as determined by the Director.

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**Rule 9 – Duty to Report**

Purpose: C.R.S. § 12-58.5-109(1)(d) provides the Director the authority to discipline a licensee for failing to report the conviction or plea to a crime. The purpose of this rule is to specify the requirement to self-report violations and to provide the manner of reporting violations.

- A. Licensees shall promptly report to the Director any person who appears to be practicing the profession without the required license.
- B. A Licensee shall notify the Director, in a manner prescribed by the Director, within 30 days of any of the following events:
  - 1. The conviction of the licensee under the laws of any state, territory, or insular possession of the United States and the District of Columbia, or of the United States or any foreign jurisdiction, of: a felony; or any offense, the underlying factual basis of which has been found by the court to involve unlawful sexual behavior, domestic violence, stalking, or violation of a protection order. For the purposes of these rules a guilty verdict, a plea of guilty, including a deferred judgment and sentence, or a plea of nolo contendere accepted by the court is considered a conviction.
  - 2. Imposition of discipline upon the licensee by another jurisdiction that regulates private investigators. Such discipline includes, but is not limited to, a citation, fine, sanction, probation, civil penalty, or a denial, suspension, revocation, relinquishment, failure to renew in lieu or avoidance of discipline, or modification of a license or registration whether it is imposed by consent decree, order, or other decision, for any cause other than failure to pay a license or registration fee by the due date.
  - 3. The notice to the Director shall include the following information:
    - a. If the event is an action by a governmental entity: (1) the name of the entity; (2) its jurisdiction; (3) the case name; (4) the docket, proceeding, or case number by which the matter is designated; (5) a description of the matter or a copy of the document initiating the action or proceeding, and (6) if the matter has been decided or settled, a copy of the consent decree, order or decision;
    - b. If the event is a felony conviction or other offense adjudicated by a court: (1) the court; (2) its jurisdiction; (3) the case name; (4) the case number; (5) a copy of the indictment or charges; and (6) any plea or verdict entered by the court;
    - c. The licensee shall also provide to the Director a copy of the imposition of sentence related to the felony or other offense.
    - d. The licensee shall provide the Director a copy of court documents showing completion of all terms of any sentence imposed within 90 days of such completion.
    - e. The licensee providing notification to the Director pursuant to this rule may also submit a written explanatory statement with the notice to be included with the licensee's records.

**Rule 10 – Imposition of Fines**

Purpose: C.R.S. § 12-58.5-109(2) provides authority for the Director to establish fines that may be imposed upon a licensee. The purpose of this rule is to establish a fine structure and the circumstances under which fines may be imposed by the Director.

- A. The Director may impose a fine in lieu of or in addition to any other disciplinary sanction.
- B. The Director may impose a separate fine for each violation of Article 58.5 of Title 12, C.R.S., any rule adopted by the Director, or any Order issued by the Director.
- C. The Director may impose fines consistent with the following structure:
  - 1. For a licensee’s first violation, a fine of no less than two hundred fifty dollars (\$250.00) and no more than three thousand dollars (\$3,000.00).
  - 2. For a licensee’s second violation, a fine of no less than five hundred dollars (\$500.00) and no more than three thousand dollars (\$3,000.00).
  - 3. For a licensee’s third and any additional violations, a fine of no less than one thousand dollars (\$1,000.00) and no more than three thousand dollars (\$3,000.00).
- D. The Director may, in his or her discretion, consider aggravating and mitigating factors when deciding the fine to be assessed.
- E. A licensee who fails to pay a fine required pursuant to a Final Agency Order or Stipulation is subject to additional disciplinary action as set forth in C.R.S § 12-58.5-109, including suspension or revocation of his or her Private Investigator license.
- F. Payment of a fine does not exempt the licensee from compliance with the statutes and rules governing the practice of Private Investigators in Colorado.

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**Editor’s Notes**

**History**

Entire rule eff. 03/02/2015.