

May 16, 2000

S 1253. AMEND BAIL BONDSMEN AND RUNNERS LAW. TO REQUIRE SUPERVISION OF FIRST-YEAR BAIL BONDSMEN AND RUNNERS; TO MAKE IT A CLASS I FELONY FOR A PERSON TO ACT AS A RUNNER OR BAIL BONDSMAN WITHOUT OBTAINING AND MAINTAINING THE REQUIRED LICENSE OR FOR A BONDSMAN TO KNOWINGLY AND WILLFULLY FAIL TO RETURN ANY COLLATERAL SECURITY VALUED AT MORE THAN ONE THOUSAND FIVE HUNDRED DOLLARS; TO REQUIRE THAT COLLATERAL SECURITY IN THE FORM OF CASH OR NEGOTIABLE INSTRUMENTS BE HELD IN TRUST ACCOUNTS; TO PROVIDE FOR THE DISPOSITION OF OUTSTANDING BAIL BOND OBLIGATIONS UPON THE DEATH OR TERMINAL ILLNESS OF A BAIL BONDSMAN; AND TO INCREASE THE MINIMUM SECURITIES DEPOSIT REQUIRED OF PROFESSIONAL BONDSMEN. Amends GS 58-71-1 to

define "first-year licensee" as person who has been licensed as bail bondsman or runner and who has held license for less than 12 months and "supervising bail bondsman" as person licensed as professional bondsman or surety bondsman who employs or contracts with new licensee.

Amends GS 58-71-40(a) to make it Class I felony to be acting as bail bondsman or runner without license. Adds new GS 58-71-41 to set out oversight of first-year licensee, including: (1) such licensee may only be employed by or may contract with one supervising bail bondsman and is limited to writing bail bonds within judicial district or bordering judicial districts where supervising bail bondsman maintains place of business; and (2) if employment of or contract with first-year licensee is terminated, supervising bail bondsman must notify Comm'r of Insurance in writing and specify reasons for termination. Adds new GS 58-71-80(c) to provide that if first-year licensee's employment or contract is terminated before end of 12-month supervisory period, Comm'r may consider information supplied by supervising bail bondsman in determining whether sufficient cause exists to suspend, revoke, or refuse to renew license or to warrant criminal prosecution of first-year licensee. Amends GS 58-71-95(5) to provide that bail bondsman who knowingly and willfully fails to return any collateral security whose value exceeds \$1,500 is guilty of Class I felony.

Amends GS 58-71-100 to provide that when collateral security is received in form of cash or check or other negotiable instrument, licensee must deposit it within two banking days after receipt in established, separate noninterest-bearing trust account in any bank in state; trust account funds must not be commingled with other operating funds. Adds new GS 58-71-121 to provide for disposition of

outstanding bail bond obligations on death or terminal illness of bail bondsman, as set out in bill.

Amends GS 58-71-145 to increase from \$5,000 to \$15,000 minimum securities deposit required of professional bondsman. Effective Oct. 1, 2000.

Intro. by Odom and Robinson.

Ref. to Judiciary II	GS 58
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