

REFERENCE TITLE: **bail bond agents; civil; licensing**

State of Arizona  
House of Representatives  
Fiftieth Legislature  
First Regular Session  
2011

# **HB 2109**

Introduced by  
Representative McLain: Senator McComish

**AN ACT**

**AMENDING SECTIONS 20-340 AND 20-340.01, ARIZONA REVISED STATUTES; RELATING TO BAIL BOND AGENTS.**

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 20-340, Arizona Revised Statutes, is amended to  
3 read:

4 20-340. Definitions

5 In this article, unless the context otherwise requires:

6 1. "BAIL BOND" MEANS ANY CONTRACT THAT IS EXECUTED BY A SURETY INSURER  
7 FOR THE RELEASE OF A PERSON WHO IS ARRESTED OR CONFINED FOR ANY ACTUAL OR  
8 ALLEGED VIOLATION OF ANY FEDERAL, STATE OR LOCAL CRIMINAL LAW WHERE THE  
9 RELEASED PERSON'S ATTENDANCE IN COURT WHEN REQUIRED BY LAW AND OBEDIENCE TO  
10 ORDERS AND JUDGMENT OF ANY COURT IS GUARANTEED.

11 ~~1-~~ 2. "Bail bond agent" means an individual who is appointed by an  
12 insurer through a power of attorney to execute or countersign bail bonds in  
13 connection with ~~judicial~~ CRIMINAL proceedings and who receives or is promised  
14 monies or other things of value for that service.

15 ~~2-~~ 3. "Bail recovery agent" has the same meaning prescribed in  
16 section 13-3885.

17 Sec. 2. Section 20-340.01, Arizona Revised Statutes, is amended to  
18 read:

19 20-340.01. Bail bond agents; business entities; place of  
20 business; receipt; maintenance of records

21 A. A person shall not act as a bail bond agent in this state unless  
22 the person is licensed by the director in accordance with this article.

23 B. The director shall not license a resident business entity as a bail  
24 bond agent unless each owner and shareholder is individually licensed as a  
25 bail bond agent.

26 C. A PERSON WHO IS LICENSED AS A BAIL BOND AGENT IN THIS STATE IS NOT  
27 AUTHORIZED IN THIS STATE TO TRANSACT CIVIL BONDS IN CONNECTION WITH  
28 CONTRACTS, ADMINISTRATIVE PROCEEDINGS OR OTHER NONCRIMINAL MATTERS ON BEHALF  
29 OF A SURETY INSURER UNLESS THE BAIL BOND AGENT IS ALSO LICENSED AS A PROPERTY  
30 AND CASUALTY PRODUCER IN THIS STATE.

31 ~~4-~~ D. Each bail bond agent shall have and maintain a place of  
32 business in this state that is accessible to the public and where the bail  
33 bond agent principally conducts transactions under the agent's license.

34 ~~5-~~ E. As a minimum requirement for permanent office records, each  
35 bail bond agent and general lines agent who is engaged in the bail bond  
36 business shall maintain a daily bond register that is the original and  
37 permanent record of all bonds or undertakings executed by the licensee and  
38 that states the:

- 39 1. Number of the power of attorney form.
- 40 2. Date the bond was executed.
- 41 3. Name of the principal.
- 42 4. Amount of the bond.
- 43 5. Premium charged.
- 44 6. Premium reported to the surety company.
- 45 7. Security or collateral received.

- 1           8. Date the security or collateral was received and the date released.
- 2           9. Indemnity agreements.
- 3           10. Disposition of the bond.
- 4           11. Date of disposition.
- 5           ~~E.~~ F. Each bail bond agent and general lines agent who is engaged in
- 6 the bail bond business and who accepts monies or any other consideration for
- 7 any bail bond undertaking shall for each payment received give to the person
- 8 paying the monies or giving the consideration a prenumbered receipt as
- 9 evidence of payment. The receipt must state the date, the name of the
- 10 principal, a description of the consideration or amount of monies received
- 11 and the purpose for which received, the number of the power of attorney form
- 12 attached to the bond, the penal sum of the bond, the name of the person
- 13 making the payment or giving the consideration and the terms under which the
- 14 monies or other consideration shall be released. Each bail bond agent shall
- 15 retain a duplicate copy of each receipt issued as part of the agent's
- 16 records.
- 17           ~~F.~~ G. The bail bond agent shall keep at the agent's place of business
- 18 the usual and customary records pertaining to transactions made under the
- 19 license. The licensee shall keep all the records as to any particular
- 20 transaction available and open to the inspection of the director at any
- 21 business time during the three years immediately after the date of completion
- 22 of the transaction.
- 23           ~~G.~~ H. The director may examine the business practices, books and
- 24 records of any bail bond agent as often as the director deems appropriate.
- 25 The bail bond agent shall pay the costs incurred for the examination.