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HOUSE BILL NO. 2201

Offered January 16, 1997

A BILL to amend and reenact § 19.2-152.1 of the Code of Virginia, relating to bondsmen.

Patrons—Robinson and Jones, J.C.

Referred to Committee for Courts of Justice

Be it enacted by the General Assembly of Virginia:**1. That § 19.2-152.1 of the Code of Virginia is amended and reenacted as follows:**

§ 19.2-152.1. Bondsmen's certificate; limitations on bail business.

The revenue license authorized in § 58.1-3724 shall not be issued by any county, city or town unless and until the applicant shall have first obtained a certificate from the judge of the circuit court of the county or city, in which he desires to carry on the business of professional bondsman, approving the issuance of the license and certifying that the applicant is of good moral character, that his past conduct before the courts of said county or city has not been unsatisfactory and is suitable to be so licensed. Before the issuance of such certificate the judge of the circuit court may review the record of the applicant as furnished by the Federal Bureau of Investigation. Prior to the issuance of such certificate, the judge of the circuit court may confer with the judge or judges of those courts in which such bondsman seeks to act. A license granted to a professional bondsman in any such county or city pursuant to § 58.1-3724 shall authorize such person to enter into such bonds in any other county or city, provided that upon entering into any bond conditioned upon real estate as collateral in any other county or city such bondsman makes affidavit that the aggregate of the penalty of such bond together with all other bonds in the Commonwealth on which he has not been released from liability is not in excess of *four times* the true market value of the equity in his real estate.

No professional bondsman shall enter into any such bond if the aggregate of the penalty of such bond and all other bonds, on which he has not been released from liability, is in excess of *four times* the true market value of his real estate. Each professional bondsman, if so directed by the judge of the circuit court of the county or of the city in which he is licensed, shall place a deed of trust on the real estate that he is using for the limit of his expected bonded indebtedness to secure the Commonwealth of Virginia and shall name the attorney for the Commonwealth of the affected locality as trustee under the deed of trust. In addition thereto, he shall furnish the clerk of the appropriate court an acceptable appraisal and title certificate of the real estate subject to any such deed of trust. Each professional bondsman licensed hereunder shall file with the clerk of the circuit court of the county or city in which he is licensed not later than the fifth day of each month a list of all outstanding bonds on which he was obligated as of the last day of the preceding month, together with the amount of the penalty of each such bond.

No court shall certify and no revenue license shall be issued as provided in this section to a person who had not obtained a certification and license prior to July 1, 1989, unless such person provides to the issuing court collateral of \$200,000 on his bonds and \$200,000 on the bonds of each of his agents.

Any professional bondsman or agent for any professional bondsman, qualified under this section, shall be subject to and governed by any reasonable rules of conduct or procedure set up by the judge of the court in which he is acting as a bondsman. Such rules shall include the requirement that such bondsman give written notice to the clerk of the circuit court of each change in the number of agents in his employ within seven days of such change and provide \$200,000 collateral for each additional agent and may include a requirement that such bondsman or agent place a reasonable amount of cash or negotiable bonds in escrow with the clerk of said court to be held during the time such bondsman or agent is acting as a bondsman in said court, provided that said clerk is acting under a bond of sufficient amount and coverage to insure protection against loss, theft, or misappropriation. Upon his violation of such rules, he may, after hearing upon a charge of such violation, be suspended from entering into further bonds in said court by the judge thereof. If such bondsman or agent fails to have in escrow with the clerk of said court a sum sufficient to cover any forfeiture of bond against him and fails or refuses to pay such forfeiture after notice and demand by the judge of the court he may be suspended by such judge from entering into further bonds in said court until the forfeiture is paid or it is adjudicated that he is not liable thereon.

No person after July 1, 1981, who has previously not been licensed shall be licensed hereunder either as a professional bondsman or agent for any professional bondsman, when such person, his or her spouse, or a member of his or her immediate family holds any office as magistrate, clerk or deputy clerk of any court.

INTRODUCED

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60 Nothing in this section shall be construed to apply to guaranty, indemnity, fidelity and security
61 companies doing business in Virginia or their agents and attorneys-in-fact, under the provisions of
62 Chapter 24 (§ 38.2-2400 et seq.) of Title 38.2, except that agents and attorneys-in-fact of guaranty,
63 indemnity, fidelity and security companies entering into bonds for bail, appearances, costs or appeal in
64 criminal cases, shall be required to obtain a certificate from the judge of the circuit court in which he
65 desires to carry on the business of professional bondsman, certifying that the applicant is of good moral
66 character, that his past conduct before the courts of said county or city has not been unsatisfactory and
67 he is suitable to be a licensed bondsman. Such certificate shall authorize such persons to enter into such
68 bonds in any other county or city. Such agents and attorneys-in-fact shall be subject to any reasonable
69 rules of conduct or procedure and discipline for the violation of same as may be ordered by the judge of
70 the court in which they act for such companies. No person may act as such an agent or attorney-in-fact
71 when such person, his or her spouse, or a member of his or her immediate family holds any office as
72 magistrate, clerk or deputy clerk of any court.