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HOUSE BILL NO. 2437

House Amendments in [] - February 3, 2011

A *BILL to amend and reenact § 9.1-185.8 of the Code of Virginia, relating to the regulation of bail bondsmen.*

Patron Prior to Engrossment—Delegate Herring

Referred to Committee for Courts of Justice

Be it enacted by the General Assembly of Virginia:**1. That § 9.1-185.8 of the Code of Virginia is amended and reenacted as follows:**

§ 9.1-185.8. Professional conduct standards; grounds for disciplinary actions.

A. Any violations of the restrictions or standards under this statute shall be grounds for placing on probation, refusal to issue or renew, sanctioning, suspension or revocation of the bail bondsman's license. A licensed bail bondsman is responsible for ensuring that his employees, partners and individuals contracted to perform services for or on behalf of the bonding business comply with all of these provisions, and do not violate any of the restrictions that apply to bail bondsmen. Violations by a bondsman's employee, partner, or agent may be grounds for disciplinary action against the bondsman, including probation, suspension or revocation of license.

B. A licensed bail bondsman shall not:

1. Knowingly commit, or be a party to, any material fraud, misrepresentation, concealment, conspiracy, collusion, forgery, scheme or device whereby any other person lawfully relies upon the word, representation, or conduct of the bail bondsman.

2. Solicit sexual favors or extort additional consideration as a condition of obtaining, maintaining, or exonerating bail bond, regardless of the identity of the person who performs the favors.

3. Conduct a bail bond transaction that demonstrates bad faith, dishonesty, coercion, incompetence, extortion or untrustworthiness.

4. Coerce, suggest, aid and abet, offer promise of favor, or threaten any person on whose bond he is surety or offers to become surety, to induce that person to commit any crime.

5. Give or receive, directly or indirectly, any gift of any kind to any nonelected public official or any employee of a governmental agency involved with the administration of justice, including but not limited to law-enforcement personnel, magistrates, judges, and jail employees, as well as attorneys. De minimis gifts, not to exceed \$50 per year per recipient, are acceptable, provided the purpose of the gift is not to directly solicit business, or would otherwise be a violation of Board regulations or the laws of the Commonwealth.

6. Fail to comply with any of the statutory or regulatory requirements governing licensed bail bondsmen.

7. Fail to cooperate with any investigation by the Department.

8. Fail to comply with any subpoena issued by the Department.

9. Provide materially incorrect, misleading, incomplete or untrue information in a license application, renewal application, or any other document filed with the Department.

10. Provide bail for any person if he is also an attorney representing that person.

11. Provide bail for any person if the bondsman was initially involved in the arrest of that person.

C. A licensed bail bondsman shall ensure that each recognizance on all bonds for which he signs shall contain the name and contact information for both the surety agent and the registered agent of the issuing company.

D. An administrative fee may be charged by a bail bondsman, not to exceed reasonable costs. Reasonable costs may include, but are not limited to, travel, court time, recovery fees, phone expenses, administrative overhead and postage.

E. A property bail bondsman shall not enter into any 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 the equity in his real estate, cash or certificates of deposit issued by a federally insured institution, or any combination thereof.

F. A property bail bondsman or his agent shall not refuse to cover any forfeiture of bond against him or refuse to pay such forfeiture after notice and final order of the court.

G. A surety bail bondsman shall not write bail bonds on any qualifying power of attorney for which a copy has not been filed with the Department.

H. A surety bail bondsman shall not violate any of the statutes or regulations that govern insurance agents.

ENGROSSED

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59 I. A licensed bail bondsman shall not charge a bail bond premium less than 10 percent [~~or more~~
60 ~~than 15 percent of the amount of the bond.~~ A licensed bail bondsman shall not advertise premiums.
61 ~~Rebating or otherwise discounting a bail bond premium is prohibited.~~

62 J. A licensed bail bondsman shall not surrender the person subject to a bail bond solely because the
63 person failed to perform obligations pursuant to an agreement to finance a bail bond premium. A bail
64 bond premium shall not be financed without a written agreement, and a licensed bail bondsman shall
65 not charge interest or a finance fee for the financing of a bail bond premium. of the amount of the
66 bond. A licensed bail bondsman shall not finance a bail bond premium.

67 For the purposes of this section, a bail bond premium is defined as the amount of money paid to a
68 licensed bail bondsman for the execution of a bail bond.]