

1 SB212
2 204743-1
3 By Senator Williams
4 RFD: Banking and Insurance
5 First Read: 20-FEB-20

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8 SYNOPSIS: Under existing law, the Alabama Bail Bond
9 Regulatory Act authorizes the Alabama Professional
10 Bail Bonding Board to license professional bail
11 bondsmen, professional bail companies, professional
12 surety bondsmen, professional surety companies, and
13 recovery agents.

14 This bill would provide further for
15 definitions and the qualifications of members
16 appointed to the board.

17 This bill would authorize the board to issue
18 temporary licenses to certain qualified applicants,
19 would authorize the board to employ legal council,
20 and would require the passage of an examination
21 before regular licensure.

22 This bill would limit the maximum amount of
23 fees the board, by rule, may establish and charge.

24 This bill would also clarify that
25 application and renewal fees apply to all licensees
26 of the board.
27

1 A BILL
2 TO BE ENTITLED
3 AN ACT

4
5 Relating to the Alabama Bail Bond Regulatory Act; to
6 amend Sections 15-13-201, 15-13-202, 15-13-203, 15-13-206,
7 15-13-207, 15-13-210, 15-13-211, 15-13-214, and 15-13-217, as
8 added to the Code of Alabama 1975 by Act 2019-409, 2019
9 Regular Session, to provide further for definitions; to
10 provide further for the qualifications of members appointed to
11 the board; to authorize the board to issue temporary licenses
12 to certain qualified applicants; to authorize the board to
13 employ legal council; to require an applicant to pass an
14 examination before licensure; to limit the maximum amount of
15 fees the board, by rule, may establish and charge; and to
16 clarify that application and renewal fees apply to
17 professional bail bondsmen, professional bail companies,
18 professional surety bondsmen, professional surety companies,
19 and recovery agents.

20 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

21 Section 1. Sections 15-13-201, 15-13-202, 15-13-203,
22 15-13-206, 15-13-207, 15-13-210, 15-13-211, 15-13-214, and
23 15-13-217, as added to the Code of Alabama 1975 by Act
24 2019-409, 2019 Regular Session, are amended to read as
25 follows:

26 "§15-13-201.

1 "For the purposes of this article, the following
2 terms shall have the following meanings:

3 "(1) BOARD. Alabama Professional Bail Bonding Board.

4 "(2) PROFESSIONAL BAIL COMPANY. A person, individual
5 proprietor, partnership corporation, or other entity, other
6 than a professional surety company, that furnishes bail or
7 becomes surety for a person on an appearance bond and does so
8 for a valuable consideration.

9 "~~(2)~~ (3) PROFESSIONAL BONDSMAN. Any individual, or
10 agent, who is employed by a professional bail company or
11 professional surety company to solicit and execute appearance
12 bonds or actively seek bail bond business for or on behalf of
13 a professional bail company, including any individual who has
14 a direct or indirect ownership interest in a professional bail
15 company.

16 "~~(3)~~ (4) PROFESSIONAL SURETY BONDSMAN. Any individual
17 who is employed by a professional surety company to solicit
18 and execute appearance bonds or actively seek bail bond
19 business for or on behalf of a professional surety company,
20 including any individual who has a direct or indirect
21 ownership interest in a professional surety company.

22 "(5) PROFESSIONAL SURETY COMPANY. An insurance
23 company, domestic or foreign corporation, or association
24 engaged in the business of insurance, or a surety with a bail
25 line of insurance to which has been issued a certificate of
26 authority or certificate of compliance by the state Department

1 of Insurance to execute appearance bonds or bail bonds in
2 criminal cases in the state.

3 ~~"(4)(6)~~ RECOVERY AGENT. Any individual, other than
4 an attorney or law enforcement officer, utilized by a
5 professional surety company, professional bail company, or
6 professional bondsman to apprehend a defendant who was
7 released on bail and who ~~failed to appear in court when~~
8 ~~required~~ violated the terms of his or her bail.

9 "§15-13-202.

10 "An individual may not hold himself or herself out
11 to the public as a professional bondsman, operate as a
12 recovery agent, or use any term, title, or abbreviation that
13 expresses, infers, or implies that the individual is licensed
14 as a professional bondsman unless the individual at the time
15 holds a valid license as a professional bondsman as provided
16 in this article. All applicants shall pass an examination,
17 unless exempted by this article, based on criteria established
18 by the Alabama Professional Bail Bonding Board and established
19 under Section 15-13-203 and shall comply with the continuing
20 education requirements established by this article. The board
21 may issue a temporary license, which expires 90 days after
22 issuance, to any applicant who satisfies all criteria for
23 licensure except passing the examination.

24 "§15-13-203.

25 "(a) The Alabama Professional Bail Bonding Board is
26 created to administer and enforce this article. The board
27 shall consist of all of the following members:

1 "(1) Seven professional bondsmen, one from each of
2 the seven congressional districts of the state, nominated by
3 the Alabama Bail Bond Association and appointed by the
4 Governor from a list of not more than four nominees for each
5 position on the board. For the initial terms of office, the
6 President of the Alabama Bail Bond Association shall be the
7 professional bondsman member of the board who represents the
8 congressional district in which he or she resides. ~~The~~
9 ~~nominating and appointing authorities shall coordinate their~~
10 ~~nominations and appointments to ensure that one of the~~ Each
11 professional bondsman ~~members is~~ member appointed to the board
12 shall be the owner of a professional bail bond company with at
13 least 10 years of experience. Except as otherwise provided, no
14 two professional bondsman members shall reside in the same
15 congressional district. If no professional bondsman is
16 available for nomination by the Alabama Bail Bond Association
17 for a congressional district, the Alabama Bail Bond
18 Association shall provide a list of four professional bondsman
19 nominees from the state at large to the Governor for that
20 congressional district, and the Governor shall appoint one of
21 those nominees to fill that position on the board.

22 "(2) One serving district or municipal court judge,
23 nominated by the Alabama Bail Bond Association and appointed
24 by the Governor from a list of four nominees.

25 "(3) One serving circuit or municipal court clerk,
26 nominated by the Alabama Bail Bond Association and appointed
27 by the Governor from a list of four nominees.

1 "(b) The appointments to the board shall be for
2 terms of four years. The nominating and appointing authorities
3 shall coordinate their nominations and appointments so that
4 diversity of gender, race, and geographical areas is
5 reflective of the makeup of this state. Vacancies shall be
6 filled by appointment of the Governor for the unexpired
7 portion of the term.

8 "(c) The board, pursuant to the Alabama
9 Administrative Procedure Act, Chapter 22 of Title 41, shall
10 adopt and enforce reasonable rules as the board determines
11 necessary to effectively and efficiently carry out its
12 official duty of licensing and regulating professional bail
13 bond companies and professional bondsmen.

14 "(d) Each member of the board shall receive travel
15 and per diem compensation for expenses incurred in the conduct
16 of official duties while attending meetings and transacting
17 the business of the board, in accordance with applicable state
18 travel and per diem paid to state employees. The compensation
19 of members shall be paid from funds available to the board in
20 the same manner as other expenses are paid.

21 "§15-13-206.

22 "(a) There is created in the State Treasury for the
23 use of the Alabama Professional Bail Bonding Board a fund to
24 be known as the Alabama Bail Bond Board Fund.

25 "(b) All application and license fees, penalties,
26 fines, late fees, and any other fees or funds collected by the

1 board under this article are to be deposited in this fund and
2 used only to carry out the operations of the board.

3 "(c) For the purpose of carrying out the objectives
4 of this article and for the exercise of the powers granted in
5 this article, the Alabama Professional Bail Bonding Board may
6 direct the disbursement of the funds from the Alabama Bail
7 Bond Board Fund necessary to cover reasonable and necessary
8 operating costs and board member compensation and expenses as
9 provided by this article, which shall be paid on warrant of
10 the Comptroller upon certificate or voucher of the secretary
11 of the board, approved by the president or vice president of
12 the board. Funds may not be withdrawn or expended except as
13 budgeted and allotted according to the provisions of Article 4
14 of Chapter 4 of Title 41.

15 "§15-13-207.

16 "(a) The Alabama Professional Bail Bonding Board may
17 adopt rules necessary to implement this article and accomplish
18 its objectives subject to the Alabama Administrative Procedure
19 Act.

20 "(b) The board may adopt and establish canons of
21 ethics and minimum acceptable professional standards of
22 practice for licensees within any rules that it adopts.

23 "(c) The board may hire personnel necessary or as
24 advisable to carry out the purposes of this article.

25 "(d) The Attorney General shall provide legal
26 services to the board and its employees in connection with
27 official duties and actions of the board or the board may

1 employ legal counsel, when deemed necessary by the board,
2 whose compensation shall be fixed by the board and paid in the
3 same manner as the per diem and expenses of the board members
4 are paid.

5 "§15-13-210.

6 "An application and all information on an
7 application for licensure ~~as a professional bondsman~~ pursuant
8 to this article shall be treated as confidential and shall be
9 filed with the board on forms prescribed by the board. The
10 application shall include all of the following information of
11 the applicant:

12 "(1) His or her full name.

13 "(2) His or her date of birth.

14 "(3) All residences during the immediate past five
15 years.

16 "(4) All employment or occupations engaged in during
17 the immediate past five years.

18 "(5) A list of convictions and pending charges
19 involving a felony or misdemeanor in any jurisdiction.

20 "§15-13-211.

21 "Each individual applicant shall meet all of the
22 following criteria, demonstrating that he or she:

23 "(1) Is at least 21 years of age.

24 "(2) Has not been declared by any court of competent
25 jurisdiction incompetent by reason of mental defect or disease
26 unless a court of competent jurisdiction has subsequently
27 declared the applicant competent.

1 "(3) Has not been convicted of a crime of moral
2 turpitude, with the board having the final determination on
3 the interpretation of moral turpitude.

4 "(4) Has not been convicted of a felony.

5 "(5) Has passed the pre-licensure examination
6 administered by an educational provider approved by the board.

7 "§15-13-214.

8 "Making a false statement to the board shall be
9 punishable by a civil penalty not to exceed one thousand
10 dollars (\$1,000) and assessment of the maximum application fee
11 as provided in Section 15-13-217.

12 "§15-13-217.

13 "(a) A professional bondsman, professional surety
14 bondsman, or recovery agent commencing business in any
15 judicial circuit in this state on and after June 1, 2020,
16 shall attend a ~~12-hour~~ 16-hour instructional course conducted
17 by an educational provider approved by the board and pass an
18 examination approved by the board and administered by an
19 educational provider approved by the board. Upon completion of
20 the course and passage of the examination, the individual
21 shall be awarded an ~~initial~~ pre-licensure examination
22 certificate by the board, copies of which may be submitted to
23 the presiding circuit judge, or other judicial authority,
24 along with the other requirements set forth in Section
25 15-13-159 or Section 15-13-160. Those professional bondsmen,
26 professional surety bondsmen, and recovery agents doing

1 business immediately prior to June 1, 2020, are exempt from
2 the initial ~~12-hour~~ instructional course and examination.

3 "(b) Unless exempted pursuant to subsection (i), a
4 professional bondsman, professional surety bondsman, or
5 recovery agent making an annual filing in any circuit in this
6 state pursuant to Section 15-13-159 or Section 15-13-160 on
7 and after March 1, 2020, shall first complete eight hours of
8 continuing education conducted by an educational provider
9 approved by the board. ~~A professional bail company owner, who
10 is 55 years of age and has 10 years of experience in the
11 profession, shall only be required to complete four hours of
12 continuing education.~~ The educational provider approved by the
13 board shall provide the board with the name of all
14 professional bondsmen, professional surety bondsmen, or
15 recovery agents completing eight hours of continuing
16 education. Upon completion of the eight hours of continuing
17 education, the individual shall request issuance of an annual
18 continuing education certificate from the board, copies of
19 which may be submitted to the presiding circuit judge along
20 with the other requirements set forth in Section 15-13-159 or
21 Section 15-13-160.

22 "(c) The ~~12-hour~~ instructional course, examination,
23 or continuing education courses shall be taught or sponsored
24 by an educational provider approved by the board, which must
25 apply annually for authority to offer such examination or
26 courses.

1 "(d) A list of approved course providers shall be
2 published on the website of the board.

3 "(e) The cost of the ~~12-hour~~ instructional course
4 shall be set by the approved course provider but shall not
5 exceed five hundred dollars (\$500) per course. Upon completion
6 of the ~~12-hour~~ instructional course, the approved course
7 provider shall issue a ~~12-hour~~ instructional course completion
8 certificate in a form approved by the board. This completion
9 certificate, along with the application fee, must be presented
10 to the board in order to take the ~~introductory~~ pre-licensure
11 examination. A ~~12-hour~~ instructional course completion
12 certificate shall be valid for a period of 12 months.

13 "(f) The cost of continuing education courses shall
14 be set by the approved course provider but shall not exceed
15 seventy-five dollars (\$75) per hour. Any fee required to be
16 paid by a course provider for reporting continuing education
17 course completion to the board may be added to the maximum
18 charges provided in this subsection.

19 "(g) Each professional bondsman, professional surety
20 bondsman, and recovery agent must renew his or her
21 certification with the board by completing ~~the~~ eight hours of
22 approved continuing education prior to November 1 each year.
23 Late renewal within the next 12 months may be had by
24 completing the eight hours of continuing education and paying
25 a renewal license fee of twice the amount otherwise required.
26 If a professional bondsman, professional surety bondsman, or
27 recovery agent fails to renew a certification for a 12-month

1 period, the professional bondsman, professional surety
2 bondsman, or recovery agent will be required to take the
3 ~~initial 12-hour~~ instructional course and examination to again
4 become certified.

5 "(h) The board, by rule, shall set the fees to be
6 paid to the board in the administration of this section, not
7 to exceed the maximum amounts set forth below:

8 "(1) ~~Examination~~ a. Application fee for a
9 professional bondsman, professional surety bondsman, or a
10 recovery agent, a nonrefundable fee to be paid to take the
11 examination and for the issuance of the ~~initial~~ pre-licensure
12 examination certificate, per examination attempt: ~~One hundred~~
13 ~~twenty-five dollars (\$125)~~ Five hundred dollars (\$500).

14 "b. Application fee for a professional bail company
15 or a professional surety company, a nonrefundable fee to be
16 paid for the issuance of an initial license: Five hundred
17 dollars (\$500).

18 "(2) a. Annual ~~continuing education renewal~~
19 certificate license renewal fee for a professional bondsman,
20 professional surety bondsman, or recovery agent, to be paid to
21 receive the annual continuing education certificate: ~~Fifty~~
22 ~~dollars (\$50)~~ Five hundred dollars (\$500).

23 "b. Annual license renewal fee for a professional
24 bail company or a professional surety company, to be paid to
25 receive the renewal license: Five hundred dollars (\$500).

26 "(i) Any professional bondsman or professional bail
27 company owner who, on ~~September 1, 2019~~ the effective date of

1 the act amending this subsection, is ~~60~~ 65 years of age and
2 has ~~10~~ 15 years of experience in the profession, shall be
3 exempt from the continuing education requirements of this
4 article.

5 "(j) The board shall adopt rules necessary to carry
6 out this section."

7 Section 2. This act shall become effective on the
8 first day of the third month following its passage and
9 approval by the Governor, or its otherwise becoming law.