

ARIZONA BAIL BONDSMEN ASSOCIATION

1012 N 7th Ave Phoenix Arizona 85007

John Burns
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Proposed Amendment Bill 20-340.01

Bill #2

SPONSORED BY REPRESENTATIVE GOWAN

Last Updated: November 28, 2012

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

20-340.01. Bail bond agents; licensure; business entities; place of business; receipt; maintenance of records; Bail agent education

- A. A person shall not act as a bail bond agent in this state unless the person is licensed by the director in accordance with this article. An applicant for a bail bond agent license shall submit an affidavit attesting to the applicant's residency in this state for at least one year immediately preceding the date of application.
- B. Each applicant for bail bond agent license shall submit a full set of fingerprints to the Department of Insurance for the purpose of obtaining state and federal criminal records check pursuant to Section 41-1750 and Public Law 92-544. The Department of Public Safety may exchange this fingerprint data with the Federal Bureau of Investigation. The Department of Insurance shall not issue a license until it receives the state and federal criminal history records check and the applicant is qualified for licensure.
- C. The director shall not license a resident business entity as a bail bond agent unless each owner and shareholder is individually licensed as a bail bond agent.
- D. A person who is licensed as a bail bond agent in this state is not authorized in this state to transact civil bonds in connection with contracts, administrative proceedings, or other noncriminal matters on behalf of a surety insurer unless the bail bond agent is also licensed as a property and casualty producer in this state. **This does not include criminal performance bonds or post conviction bonds.**
- E. Each bail bond agent shall have and maintain a place of business in this state that is accessible to the public and where the bail bond agent principally conducts transactions under the agent's license.
- F. As a minimum requirement for permanent office records, each bail bond agent and general lines agent who is engaged in the bail bond business shall maintain a daily bond register that is the original and permanent record of all bonds or undertakings executed by the licensee and that states the:
 - 1. Number of the power of attorney form
 - 2. Date the bond was executed
 - 3. Name of the principal
 - 4. Amount of the bond
 - 5. Premium charged
 - 6. Premium reported to the surety company
 - 7. Security or collateral received

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8. Date the security or collateral was received and the date released
 9. Indemnity agreements
 10. Disposition of the bond
 11. Date of the disposition
- G. Each bail bond agent and general lines agent who is engaged in the bail bond business and who accepts monies or any other consideration for any bail bond undertaking shall for each payment received give to the person paying the monies or giving the consideration a pre-numbered receipt as evidence of payment. The receipt must state the date, the name of the principal, a description of the consideration or amount of monies received and the purpose for which received, the number of the power of attorney form attached to the bond, the penal sum of the bond, the name of the person making the payment or giving the consideration and the terms under which the monies or other consideration shall be released. Each bail bond agent shall retain a duplicate copy of each receipt issued as part of the agent's records.
- H. The bail bond agent shall keep at the agent's place of business the usual and customary records pertaining to transactions made under the license. The licensee shall keep all the records as to any particular transaction available and open to the inspection of the director at any business time with notice due to bondsmen are not available during business hours during the ~~three~~ one year immediately after the date of ~~completion of the transaction~~ exoneration.
- I. ~~The director may examine the business practices, books and records of any bail bond agent as often as the director deems appropriate. The bail bond agent shall pay the costs incurred for the examination.~~