

NCBAA

Commissioner's Column

December 2007

Legislative Changes for Bail Bond Licensees

As the New Year approaches, I'd like to take a moment to review all the legislative changes passed by the General Assembly this year that impact bail bond licensees. These changes include reasons for surrender of the defendant without returning premium, the definitions in Article 71 of Chapter 58, monthly reports of outstanding bail bond obligations and a new administrative fee. You should have received a memorandum from the Agent Services Division in September about these legislative changes, but in case you did not receive it or you have questions about the changes, they are explained below.

Under N.C.G.S. 58-71-20, specific situations are outlined that allow bail bondsmen to surrender a defendant, before there had been a breach in the undertaking of bail, without return of the bail bond premium. With the passage of Senate Bill 1327, two more defendant's actions have been added:

- Failure to disclose information or providing false information regarding any failure to appear in court, any previous felony convictions within the past ten years, or any charges pending in any State or Federal court.
- Knowingly providing the surety with incorrect personal identification, or using a false name or alias.

As you know, in order to be a licensed bail bondsman or runner in North Carolina, you must be an in-state resident. New updates have further defined who qualifies as a resident. As of Oct. 1, to qualify as a resident, a person must live in North Carolina for at least six consecutive months before they can complete the bail bondsman or runner application process. The Agent Services Division has made available a new bail bond application which requires the bail bond applicant to provide two documents which establish that this residency requirement has been met. In addition, all applicants must also hold a valid and current North Carolina driver's license or a valid North Carolina identification card issued by the Division of Motor Vehicles.

Another legislative change eliminates the monthly report requirements for surety bail bondsmen, but replaces the monthly report with a requirement for surety insurance companies to file a quarterly report listing the aggregate amount of outstanding liability for the company. Professional bondsmen are still required to send their monthly reports to the Agent Services Division.

Finally, a new administrative fee has been attached to the existing requirement that licensees must notify the Department's Agent Services Division within 10 days of a change of address. Effective Jan. 1, 2008, licensees may be assessed a \$50 administrative fee for failing to provide timely notification of an address change. To make it as convenient as possible for licensees to comply with this regulation, licensees will soon be able to change their address

online; the Agent Services Division will send information on how licensees will be able to electronically view their address of record and make address changes themselves.

Contact the Agent Services Division at 919-807-6800 for more information or visit the frequently asked questions for bail bondsmen online, www.ncdoi.com.

Ask NCBAAs to do a text box in newsletter somewhere and put this information:

IMPORTANT INFORMATION REGARDING YOUR LICENSE

The Agent Services Division is changing their licensing database to a State Based System (SBS) that is maintained by the National Association of Insurance Commissioners (NAIC). This system utilizes the National Insurance Producer Registry (NIPR) and all bail bond licensees will be assigned a National Producer Number (NPN). This NPN number will be used to identify a licensee in lieu of their social security number. Additionally, permit numbers will no longer be used to identify each individual license as all licenses will be listed under this NPN. The Agent Services Division will send a letter to each licensee and provide them with their NPN number and update the Electronic Bondsmen Registry.