

Important Information and Reminders for First-Year Licensees

Under North Carolina law, first-year licensed bail bondsmen have special requirements that must be met. These special instructions are designed to ensure that new bail bondsmen learn the bail bonding business so they are better able to serve North Carolina's courts and consumers.

As you already know, the bail bonding business calls for most work to be performed outside of a typical office environment, which makes licensee and employee supervision tricky at times. And, as with any job, it's important to make sure new workers are doing their jobs correctly, therefore, North Carolina law requires first-year licensees to be supervised for 12 months by another licensed bail bondsman. Follow the regulations described below to comply with the laws that apply to first-year licensees.

1. First-year licensees must work under the supervision of a licensed bail bondsman at the same official business address. In other words, a new bail bondsman must work in the same office as his or her supervisor. It is allowed, however, for a bail bondsman to work in a satellite office; though it's important for supervisors to realize that monitoring first-year licensees who work in another office is more difficult. It is important for the new licensee and supervisor to maintain frequent contact consisting of at least weekly, in-person meetings.
2. First-year licensees, like all licensed bail bondsmen, must submit monthly reports to the Department of Insurance's Agent Services Division (ASD). While it is the licensee's responsibility to submit the reports, a supervisor should ensure that the licensee is correctly completing the reports in a timely manner.
3. As you're probably aware, state law requires that collateral security received as cash or check must be deposited into a non-interest bearing bank account within two banking days of receipt. Although the statute allows for bondsmen operating out of the same business office to establish a single shared trust account, each bondman must be able to identify his or her own collateral amount. Supervisors may allow first year licensees to use the supervisor's trust account to deposit collateral, but supervisors should be aware that it is the individual bondsman's responsibility to return collateral within 72 hours after final termination of liability on the bond. So even if there are disagreements about deposits in a shared trust account, the collateral return provisions must be followed.
4. A supervising bondsman must inform ASD in writing as soon as he or she terminates the relationship with a first-year licensee.

The Department is committed to having the most professional and well-trained bail bondsmen in the country, and the ASD can assist you with your questions. Please remember that the comprehensive Pre-Licensing Education handbook is an excellent resource for all bail bondsmen, both new and experienced. Please contact ASD with any questions at (919) 807-6800 or 1204 Mail Service Center, Raleigh, NC 27699-1204.