

1 STATE OF OKLAHOMA

2 1st Session of the 52nd Legislature (2009)

3 HOUSE BILL 2104

By: McPeak

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5  
6 AS INTRODUCED

7 An Act relating to professions and occupations;  
8 amending 59 O.S. 2001, Section 1306, as last amended  
9 by Section 1, Chapter 135, O.S.L. 2006 (59 O.S. Supp.  
10 2008, Section 1306), which relates to bail bondsmen;  
11 providing for purchase of an annuity through a  
12 certain insurance agent; updating statutory  
13 reference; and providing an effective date.

14 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

15 SECTION 1. AMENDATORY 59 O.S. 2001, Section 1306, as  
16 last amended by Section 1, Chapter 135, O.S.L. 2006 (59 O.S. Supp.  
17 2008, Section 1306), is amended to read as follows:

18 Section 1306. A. 1. An applicant for a cash bondsman license  
19 shall meet all requirements set forth in Section 1305 of this title  
20 with exception of residence.

21 2. In addition to the requirements prescribed in Section 1305  
22 of this title, an applicant for a professional bondsman license  
23 shall submit to the Insurance Commissioner financial statements  
24 prepared by an accounting firm or individual holding a permit to  
practice public accounting in this state in accordance with

1 generally accepted principles of accounting procedures setting forth  
2 the total assets of the bondsman less liabilities and debts as  
3 follows: For all applications made prior to the effective date of  
4 this act and the subsequent renewals of a license issued upon ~~such~~  
5 the application when continuously maintained in effect as required  
6 by law, the statement shall show a net worth of at least Fifty  
7 Thousand Dollars (\$50,000.00). For all applications made on and  
8 after the effective date of this act and the subsequent renewals of  
9 a license issued upon ~~such~~ the application when continuously  
10 maintained in effect as required by law, or for the renewal or  
11 reinstatement of any license that is expired pursuant to subsection  
12 D of Section 1309 of this title, suspended or revoked, the statement  
13 shall show a net worth of at least One Hundred Fifty Thousand  
14 Dollars (\$150,000.00), said statements to be current as of a date  
15 not earlier than ninety (90) days prior to submission of the  
16 application and the statement shall be attested to by an unqualified  
17 opinion of the accountant.

18 3. Professional bondsman applicants shall make a deposit with  
19 the Insurance Commissioner in the same manner as required of  
20 domestic insurance companies of an amount to be determined by the  
21 Commissioner. For all applications made prior to the effective date  
22 of this act and the subsequent renewals of a license issued upon  
23 ~~such~~ the application when continuously maintained in effect as  
24 required by law, the deposit shall not be less than Twenty Thousand

1 Dollars (\$20,000.00). For all applications made on and after the  
2 effective date of this act and the subsequent renewals of a license  
3 issued upon ~~such~~ the application when continuously maintained in  
4 effect as required by law, or for the renewal or reinstatement of  
5 any license that is expired pursuant to subsection D of Section 1309  
6 of this title, suspended or revoked, the deposit shall not be less  
7 than Fifty Thousand Dollars (\$50,000.00). ~~Such~~ The deposits shall  
8 be subject to all laws, rules and regulations as deposits by  
9 domestic insurance companies but in no instance shall a professional  
10 bondsman write bonds which equal more than ten times the amount of  
11 the deposit which ~~such~~ the bondsman has submitted to the  
12 Commissioner. In addition, a professional bondsman may make the  
13 deposit by purchasing an annuity through a licensed domestic  
14 insurance company in the State of Oklahoma or by purchasing an  
15 annuity through a licensed and domiciled agent in the State of  
16 Oklahoma who is an agent with an insurance company licensed to do  
17 business in this state. The annuity shall be in the name of the  
18 bondsman as owner with legal assignment to the Insurance  
19 Commissioner. The assignment form shall be approved by the  
20 Commissioner. If a bondsman exceeds the above limitation, the  
21 bondsman shall be notified by the Commissioner by mail with return  
22 receipt requested that the excess shall be reduced or the deposit  
23 increased within ten (10) days of notification, or the license of

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1 the bondsman shall be suspended immediately after the ten-day  
2 period, pending a hearing on the matter.

3 4. The deposit herein provided for shall constitute a reserve  
4 available to meet sums due on forfeiture of any bonds or  
5 recognizance executed by ~~such~~ the bondsman.

6 5. Any deposit made by a professional bondsman pursuant to this  
7 section shall be released and returned by the Commissioner to the  
8 professional bondsman only upon extinguishment of all liability on  
9 outstanding bonds.

10 6. No release of deposits to a professional bondsman shall be  
11 made by the Commissioner except upon written application and the  
12 written order of the Commissioner. The Commissioner shall have no  
13 liability for any ~~such~~ release made pursuant to this subsection to a  
14 professional bondsman provided the release was made in good faith.

15 B. The deposit provided in this section shall be held in  
16 safekeeping by the Insurance Commissioner and shall only be used if  
17 a bondsman fails to pay an order and judgment of forfeiture after  
18 being properly notified or shall be used if the license of a  
19 professional bondsman has been revoked. The deposit shall be held  
20 in the name of the Insurance Commissioner and the bondsman. The  
21 bondsman shall execute an assignment of the deposit to the Insurance  
22 Commissioner for the payment of unpaid bond forfeitures.

23 C. Currently licensed professional bondsmen may maintain their  
24 aggregate liability limits upon presentation of documented proof

1 that they have previously been granted a limitation greater than the  
2 requirements of subsection A of this section.

3 D. Notwithstanding any other provision of ~~Section~~ Sections 1301  
4 ~~et seq.~~ through 1340 of this title, the license of a professional  
5 bondsman is transferable upon the death or legal or physical  
6 incapacitation of the bondsman to the ~~bondsman's~~ spouse of the  
7 bondsman, or to ~~such other~~ another transferee as the professional  
8 bondsman may designate in writing, and the transferee may elect to  
9 act as a professional bondsman until the expiration of the license  
10 or for a period of one hundred eighty (180) days, whichever is  
11 greater, if the following conditions are met:

12 1. The transferee ~~must~~ shall hold a valid license as a surety  
13 bondsman in this state; and

14 2. The asset and deposit requirements set forth in this section  
15 continue to be met.

16 SECTION 2. This act shall become effective November 1, 2009.

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18 52-1-6433 MMP 12/23/08  
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