

1 STATE OF OKLAHOMA

2 1st Session of the 55th Legislature (2015)

3 HOUSE BILL 1033

By: Kirby

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5  
6 AS INTRODUCED

7 An Act relating to bail bonds; amending 59 O.S. 2011,  
8 Section 1306, as amended by Section 2, Chapter 150,  
9 O.S.L. 2013 (59 O.S. Supp. 2014, Section 1306), which  
10 relates to cash bondsman licensing; requiring  
11 submission of audited financial statements in  
12 accordance with certain standards; amending Section  
13 3, Chapter 53, O.S.L. 2014 (59 O.S. Supp. 2014,  
14 Section 1306A), which relates to application  
15 requirements for multicounty agent bondsmen;  
16 requiring submission of audited financial statements  
17 in accordance with certain standards; authorizing  
18 transferees to apply for certain license; amending 59  
19 O.S. 2011, Section 1309, as last amended by Section  
20 1, Chapter 385, O.S.L. 2014 (59 O.S. Supp. 2014,  
21 Section 1309), which relates to renewal licenses;  
22 requiring submission of audited financial statements  
23 in accordance with certain standards; amending 59  
24 O.S. 2011, Section 1310, as amended by Section 4,  
Chapter 150, O.S.L. 2013 (59 O.S. Supp. 2014, Section  
1310), which relates to the denial or suspension of  
licenses; modifying list of circumstances that allow  
for license suspensions and denials; deleting  
statutory reference; amending 59 O.S. 2011, Section  
1311.3, as amended by Section 1, Chapter 373, O.S.L.  
2014 (59 O.S. Supp. 2014, Section 1311.3), which  
relates to unlawful acts; deleting certain time  
limitation; amending 59 O.S. 2011, Section 1314, as  
amended by Section 5, Chapter 53, O.S.L. 2014 (59  
O.S. Supp. 2014, Section 1314), which relates to  
collateral requirements; clarifying certain reporting  
requirements; amending 59 O.S. 2011, Section 1315, as  
last amended by Section 5, Chapter 150, O.S.L. 2013  
(59 O.S. Supp. 2014, Section 1315), which relates to  
persons prohibited as bondsmen; clarifying scope of  
certain prohibited act; amending 59 O.S. 2011,

1 Section 1316, as last amended by Section 2, Chapter  
2 385, O.S.L. 2014 (59 O.S. Supp. 2014, Section 1316),  
3 which relates to signing bonds; deleting certain  
4 submission requirement; modifying notification  
5 procedures to include multicounty agent bondsmen;  
6 amending 59 O.S. 2011, Section 1317, as last amended  
7 by Section 3, Chapter 385, O.S.L. 2014 (59 O.S. Supp.  
8 2014, Section 1317), which relates to notice  
9 requirements for sureties; modifying notification  
10 procedures to include multicounty agent bondsmen;  
11 amending 59 O.S. 2011, Section 1320, as last amended  
12 by Section 4, Chapter 385, O.S.L. 2014 (59 O.S. Supp.  
13 2014, Section 1320), which relates to license  
14 registration requirements; deleting certain filing  
15 requirement and fees; requiring the filing of certain  
16 document; providing for registration fees and  
17 procedures; amending 59 O.S. 2011, Section 1321,  
18 which relates to the qualifications of sureties;  
19 modifying surety qualifications to include  
20 multicounty agent bondsmen; providing for electronic  
21 filings and payments; providing for codification;  
22 providing for recodification; and providing an  
23 effective date.  
24

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

16 SECTION 1. AMENDATORY 59 O.S. 2011, Section 1306, as  
17 amended by Section 2, Chapter 150, O.S.L. 2013 (59 O.S. Supp. 2014,  
18 Section 1306), is amended to read as follows:

19 Section 1306. A. 1. An applicant for a cash bondsman license  
20 shall meet all requirements set forth in Section 1305 of this title  
21 with exception of the one-year residence requirement. An applicant  
22 for a cash bondsman license shall affirmatively show that the  
23 applicant has been a bona fide resident of the state for six (6)  
24 months.

1           2. In addition to the requirements prescribed in Section 1305  
2 of this title, an applicant for a professional bondsman license  
3 shall submit to the Insurance Commissioner an audited financial  
4 ~~statements~~ statement prepared by an accounting firm or individual  
5 holding a permit to practice public accounting in this state in  
6 accordance with ~~generally accepted principles of accounting~~  
7 ~~procedures~~ the Statements on Auditing Standards promulgated by the  
8 Auditing Standards Board of the American Institute of Certified  
9 Public Accountants setting forth the total assets of the bondsman  
10 less liabilities and debts as follows: For all applications made  
11 prior to November 1, 2006, and the subsequent renewals of a license  
12 issued upon the application when continuously maintained in effect  
13 as required by law, the statement shall show a net worth of at least  
14 Fifty Thousand Dollars (\$50,000.00). For all applications made on  
15 and after November 1, 2006, and the subsequent renewals of a license  
16 issued upon the application when continuously maintained in effect  
17 as required by law, or for the renewal or reinstatement of any  
18 license that is expired pursuant to subsection D of Section 1309 of  
19 this title, suspended or revoked, the statement shall show a net  
20 worth of at least One Hundred Fifty Thousand Dollars (\$150,000.00),  
21 the statements to be current as of a date not earlier than ninety  
22 (90) days prior to submission of the application and the statement  
23 shall be attested to by an unqualified opinion of the accountant.

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1           3. Professional bondsman applicants shall make a deposit with  
2 the Insurance Commissioner in the same manner as required of  
3 domestic insurance companies of an amount to be determined by the  
4 Commissioner. For all applications made prior to November 1, 2006,  
5 and the subsequent renewals of a license issued upon the application  
6 when continuously maintained in effect as required by law, the  
7 deposit shall not be less than Twenty Thousand Dollars (\$20,000.00).  
8 For all applications made on and after November 1, 2006, and the  
9 subsequent renewals of a license issued upon the application when  
10 continuously maintained in effect as required by law, or for the  
11 renewal or reinstatement of any license that is expired pursuant to  
12 subsection D of Section 1309 of this title, suspended or revoked,  
13 the deposit shall not be less than Fifty Thousand Dollars  
14 (\$50,000.00). The deposits shall be subject to all laws, rules and  
15 regulations as deposits by domestic insurance companies but in no  
16 instance shall a professional bondsman write bonds which equal more  
17 than ten times the amount of the deposit which the bondsman has  
18 submitted to the Commissioner. Such deposit shall require the  
19 review and approval of the Insurance Commissioner prior to exceeding  
20 the maximum amount of Federal Deposit Insurance Corporation basic  
21 deposit coverage for any one bank or financial institution. In  
22 addition, a professional bondsman may make the deposit by purchasing  
23 an annuity through a licensed domestic insurance company in the  
24 State of Oklahoma. The annuity shall be in the name of the bondsman

1 as owner with legal assignment to the Insurance Commissioner. The  
2 assignment form shall be approved by the Commissioner. If a  
3 bondsman exceeds the above limitation, the bondsman shall be  
4 notified by the Commissioner that the excess shall be reduced or the  
5 deposit increased within ten (10) days of notification, or the  
6 license of the bondsman shall be suspended immediately after the  
7 ten-day period, pending a hearing on the matter.

8 4. The deposit provided for in this section shall constitute a  
9 reserve available to meet sums due on forfeiture of any bonds or  
10 recognizance executed by the bondsman.

11 5. Any deposit made by a professional bondsman pursuant to this  
12 section shall be released and returned by the Commissioner to the  
13 professional bondsman only upon extinguishment of all liability on  
14 outstanding bonds. Provided, however, the Commissioner shall have  
15 the authority to review specific financial circumstances and history  
16 of a professional bondsman, on a case-by-case basis, and may release  
17 a portion of the deposit if warranted. The Commissioner may  
18 promulgate rules to effectuate the provisions of this paragraph.

19 6. No release of deposits to a professional bondsman shall be  
20 made by the Commissioner except upon written application and the  
21 written order of the Commissioner. The Commissioner shall have no  
22 liability for any such release to a professional bondsman provided  
23 the release was made in good faith.

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1 B. The deposit provided in this section shall be held in  
2 safekeeping by the Insurance Commissioner and shall only be used if  
3 a bondsman fails to pay an order and judgment of forfeiture after  
4 being properly notified or shall be used if the license of a  
5 professional bondsman has been revoked. The deposit shall be held  
6 in the name of the Insurance Commissioner and the bondsman. The  
7 bondsman shall execute an assignment or pledge of the deposit to the  
8 Insurance Commissioner for the payment of unpaid bond forfeitures.

9 C. Currently licensed professional bondsmen may maintain their  
10 aggregate liability limits upon presentation of documented proof  
11 that they have previously been granted a limitation greater than the  
12 requirements of subsection A of this section.

13 D. Notwithstanding any other provision of Sections 1301 through  
14 1340 of this title, the license of a professional bondsman is  
15 transferable upon the death or legal or physical incapacitation of  
16 the bondsman to the spouse of the bondsman, or to such other  
17 transferee as the professional bondsman may designate in writing,  
18 and the transferee may elect to act as a professional bondsman for a  
19 period of one hundred eighty (180) days if the following conditions  
20 are met:

21 1. The transferee shall hold a valid license as a surety  
22 bondsman in this state; and

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

1 SECTION 2. AMENDATORY Section 3, Chapter 53, O.S.L. 2014  
2 (59 O.S. Supp. 2014, Section 1306A), is amended to read as follows:

3 Section 1306A. A. 1. An applicant for a multicounty agent  
4 bondsman license shall have been continually licensed as a  
5 professional bondsman in the State of Oklahoma for a minimum of two  
6 (2) years immediately prior to the date of application.

7 2. In addition to the requirements prescribed in Sections 1305  
8 and 1306 of ~~Title 59 of the Oklahoma Statutes~~ this title, an  
9 applicant for a multicounty agent bondsman license shall submit to  
10 the Insurance Commissioner a an annual audited financial statement  
11 prepared by an accounting firm or individual holding a permit to  
12 practice public accounting in this state in accordance with the  
13 ~~generally accepted principles of accounting procedures~~ Statements on  
14 Auditing Standards promulgated by the Auditing Standards Board of  
15 the American Institute of Certified Public Accountants setting forth  
16 the total assets of the bondsman less liabilities and debts. For  
17 initial applications and for subsequent renewals of the license, the  
18 statement shall show a net worth of at least Two Hundred Fifty  
19 Thousand Dollars (\$250,000.00). The statement shall be current as of  
20 a date not earlier than ninety (90) days prior to submission of the  
21 application and the statement shall be attested to by an unqualified  
22 opinion of the accountant.

23 3. Multicounty agent bondsman applicants shall make a deposit  
24 with the Insurance Commissioner in the same manner as required of

1 domestic insurance companies. The deposit shall not be less than  
2 One Hundred Thousand Dollars (\$100,000.00). Provided however, any  
3 and all deposits made pursuant to paragraph 3 of subsection A of  
4 Section 1306 of ~~Title 59 of the Oklahoma Statutes~~ this title shall  
5 count toward the fulfillment of any deposit amount required by this  
6 section. The deposit shall be subject to all laws, rules, and  
7 regulations as deposits by domestic insurance companies but in no  
8 instance, except as provided herein, shall a multicounty agent  
9 bondsman write bonds which equal more than twelve times the amount  
10 of the deposit which the bondsman has submitted to the Commissioner;  
11 provided however, any currently licensed professional bondsman in  
12 good standing with the Department and who, on the effective date of  
13 this act, meets the provisions of the grandfather clause set forth  
14 in Section 1306 of ~~Title 59 of the Oklahoma Statutes~~ this title and  
15 who otherwise meets the requirements of this section shall be  
16 afforded the same liability ratio as that of such grandfathered  
17 professional bondsman. Such deposit shall require the review and  
18 approval of the Insurance Commissioner prior to exceeding the  
19 maximum amount of Federal Deposit Insurance Corporation basic  
20 deposit coverage for any one bank or financial institution. In  
21 addition, a multicounty agent bondsman may make the deposit by  
22 purchasing an annuity through a licensed domestic insurance company  
23 in the State of Oklahoma. The annuity shall be in the name of the  
24 bondsman as owner with legal assignment to the Insurance



1 Commissioner. The assignment form shall be approved by the  
2 Commissioner. If a bondsman exceeds the above limitation, the  
3 bondsman shall be notified by the Commissioner that the excess shall  
4 be reduced or the deposit increased within ten (10) days of  
5 notification, or the license of the bondsman shall be suspended  
6 immediately after the ten-day period, pending a hearing on the  
7 matter.

8 4. The deposit provided for in this section shall constitute a  
9 reserve available to meet sums due on forfeiture of any bonds or  
10 recognizance executed by the bondsman.

11 5. Any deposit made by a multicounty agent bondsman pursuant to  
12 this section shall be released and returned by the Commissioner to  
13 the multicounty agent bondsman only upon extinguishment of all  
14 liability on outstanding bonds. Provided, however, the Commissioner  
15 shall have the authority to review specific financial circumstances  
16 and history of a multicounty agent bondsman, on a case-by-case  
17 basis, and may release a portion of the deposit if warranted. The  
18 Commissioner may promulgate rules to effectuate the provisions of  
19 this paragraph.

20 6. No release of deposits to a multicounty agent bondsman shall  
21 be made by the Commissioner except upon written application and the  
22 written order of the Commissioner. The Commissioner shall have no  
23 liability for any such release to a multicounty agent bondsman  
24 provided the release was made in good faith.

1 B. The deposit provided in this section shall be held in  
2 safekeeping by the Insurance Commissioner and shall only be used if  
3 a bondsman fails to pay an order and judgment of forfeiture after  
4 being properly notified or shall be used if the license of a  
5 multicounty agent bondsman has been revoked. The deposit shall be  
6 held in the name of the Insurance Commissioner and the bondsman.  
7 The bondsman shall execute an assignment or pledge of the deposit to  
8 the Insurance Commissioner for the payment of unpaid bond  
9 forfeitures.

10 C. Notwithstanding any other provision of Sections 1301 through  
11 1340 of ~~Title 59 of the Oklahoma Statutes~~ this title, the license of  
12 a multicounty agent bondsman is transferable upon the death or legal  
13 or physical incapacitation of the bondsman to the spouse of the  
14 bondsman or to such other transferee as the multicounty agent  
15 bondsman may designate in writing, and the transferee may elect to  
16 act as a multicounty agent bondsman for a period of one hundred  
17 eighty (180) days if the following conditions are met:

18 1. The transferee shall hold a valid license as a surety  
19 bondsman in this state; and

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

22 At the end of the one-hundred-eighty-day period, the transferee  
23 shall be allowed to apply for a license as a multicounty agent  
24 bondsman, provided he or she has been continually licensed as a

1 surety bondsman for at least five (5) years immediately prior to the  
2 date of application, notwithstanding the requirements of paragraph 1  
3 of subsection A of this section.

4 D. A multicounty agent bondsman may appoint by power of  
5 attorney a licensed surety bondsman as his or her agent to execute  
6 bail bonds within any county in the State of Oklahoma. The number  
7 of bail bonds a multicounty agent bondsman may insure in counties  
8 other than the county he or she registers his or her license,  
9 pursuant to subsection A of Section 1320 of ~~Title 59 of the Oklahoma~~  
10 ~~Statutes~~ this title, shall not be limited by subsection B of Section  
11 1320 of ~~Title 59 of the Oklahoma Statutes~~ this title.

12 SECTION 3. AMENDATORY 59 O.S. 2011, Section 1309, as  
13 last amended by Section 1, Chapter 385, O.S.L. 2014 (59 O.S. Supp.  
14 2014, Section 1309), is amended to read as follows:

15 Section 1309. A. A renewal license shall be issued by the  
16 Insurance Commissioner to a licensee who has continuously maintained  
17 same in effect, without further examination, upon payment of a  
18 renewal fee of Two Hundred Dollars (\$200.00) for a cash, property,  
19 surety, or professional bail bondsman or One Thousand Dollars  
20 (\$1,000.00) for a multicounty agent bondsman, and proof of  
21 completion of sixteen (16) hours of continuing education as required  
22 by Section 1308.1 of this title. The renewal fee for licenses  
23 expiring September 15, 2012, shall be prorated to the birth month of  
24 the bondsman. Thereafter the renewal fee shall be submitted

1 biennially by the last day of the birth month of the bondsman. Such  
2 licensee shall in all other respects be required to comply with and  
3 be subject to the provisions of Section 1301 et seq. of this title.

4 B. An individual holding a professional bondsman license or  
5 multicounty agent bondsman license shall also provide an annual  
6 audited financial statement prepared by an accounting firm or  
7 individual holding a permit to practice public accounting in this  
8 state in accordance with ~~generally accepted principles of accounting~~  
9 ~~procedures~~ the Statements on Auditing Standards promulgated by the  
10 Auditing Standards Board of the American Institute of Certified  
11 Public Accountants showing assets, liabilities, and net worth, the  
12 annual statement to be as of a date not earlier than June 30. The  
13 statements shall be attested to by an unqualified opinion of the  
14 accounting firm or individual holding a permit to practice public  
15 accounting in this state that prepared the statement or statements.  
16 The statement shall be submitted annually by the last day of  
17 September.

18 C. An individual holding a property bondsman license shall also  
19 provide an annual county assessor's written statement stating the  
20 property's assessed value for each property used to post bonds and a  
21 written statement from any lien holder stating the current payoff  
22 amount on each lien for each property used to post bonds. The  
23 written statements shall be submitted annually by the last day of  
24 September.

1 D. If the license is not renewed or the renewal fee is not paid  
2 by the last day of the birth month of the bondsman, the license  
3 shall expire automatically pursuant to Section 1304 of this title.  
4 After expiration, the license may be reinstated for up to one (1)  
5 year following the expiration date. If after the one-year date the  
6 license has not been reinstated, the licensee shall be required to  
7 apply for a license as a new applicant.

8 E. Reinstatement fees shall be double the original fee.

9 SECTION 4. AMENDATORY 59 O.S. 2011, Section 1310, as  
10 amended by Section 4, Chapter 150, O.S.L. 2013 (59 O.S. Supp. 2014,  
11 Section 1310), is amended to read as follows:

12 Section 1310. A. The Insurance Commissioner may deny, censure,  
13 suspend, revoke, or refuse to renew any license issued under  
14 Sections 1301 through 1340 of this title for any of the following  
15 causes:

16 1. For any cause for which issuance of the license could have  
17 been refused;

18 2. Violation of any laws of this state or any lawful rule,  
19 regulation, or order of the Commissioner relating to bail;

20 3. Material misstatement, misrepresentation, or fraud in  
21 obtaining the license;

22 4. Misappropriation, conversion, or unlawful withholding of  
23 monies or property belonging to insurers, insureds, or others  
24 received in the conduct of business under the license;

1           5. Conviction of, or having entered a plea of guilty or nolo  
2           contendere to, any felony or to a misdemeanor involving moral  
3           turpitude or dishonesty;

4           6. Fraudulent or dishonest practices or demonstrating financial  
5           irresponsibility in conducting business under the license;

6           7. Failure to comply with, or violation of any proper order,  
7           rule, or regulation of the Commissioner;

8           8. Recommending any particular attorney-at-law to handle a case  
9           in which the bail bondsman has caused a bond to be issued under the  
10          terms of Sections 1301 through 1340 of this title;

11          9. When, in the judgment of the Commissioner, the licensee has,  
12          in the conduct of affairs under the license, demonstrated  
13          incompetency, or untrustworthiness, or conduct or practices  
14          rendering the licensee unfit to carry on the bail bond business or  
15          making continuance in the business detrimental to the public  
16          interest;

17          10. When the licensee is no longer in good faith carrying on  
18          the bail bond business;

19          11. When the licensee is guilty of rebating, or offering to  
20          rebate, or dividing with someone other than a licensed bail  
21          bondsman, or offering to divide commissions in the case of limited  
22          surety agents, or premiums in the case of professional bondsmen, and  
23          for this conduct is found by the Commissioner to be a source of  
24          detriment, injury, or loss to the public;

1        12. For any materially untrue statement in the license  
2 application;

3        13. Misrepresentation of the terms of any actual or proposed  
4 bond;

5        14. For forging the name of another to a bond or application  
6 for bond;

7        15. Cheating on an examination for licensure;

8        16. Soliciting business in or about any place where prisoners  
9 are confined, arraigned, or in custody;

10       17. For paying a fee or rebate, or giving or promising anything  
11 of value to a jailer, trustee, police officer, law enforcement  
12 officer, or other officer of the law, or any other person who has  
13 power to arrest or hold in custody, or to any public official or  
14 public employee in order to secure a settlement, compromise,  
15 remission, or reduction of the amount of any bail bond or  
16 estreatment thereof, or to secure delay or other advantage. This  
17 shall not apply to a jailer, police officer, or officer of the law  
18 who is not on duty and who assists in the apprehension of a  
19 defendant;

20       18. For paying a fee or rebating or giving anything of value to  
21 an attorney in bail bond matters, except in defense of an action on  
22 a bond;

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1 19. For paying a fee or rebating or giving or promising  
2 anything of value to the principal or anyone in the behalf of the  
3 principal;

4 20. Participating in the capacity of an attorney at a trial or  
5 hearing for one on whose bond the licensee is surety;

6 21. Accepting anything of value from a principal, other than  
7 the premium; provided, the bondsman shall be permitted to accept  
8 collateral security or other indemnity from the principal which  
9 shall be returned immediately upon final termination of liability on  
10 the bond and upon satisfaction of all terms, conditions, and  
11 obligations contained within the indemnity agreement; provided,  
12 however, a bondsman shall not refuse to return collateral or other  
13 indemnity because of nonpayment of premium. Collateral security or  
14 other indemnity required by the bondsman shall be reasonable in  
15 relation to the amount of the bond;

16 22. Willful failure to return collateral security to the  
17 principal when the principal is entitled thereto;

18 23. For failing to notify the Commissioner of a change of legal  
19 name, residence address, business address, mailing address, e-mail  
20 address, or telephone number within five (5) days after a change is  
21 made, or failing to respond to a properly mailed notification within  
22 a reasonable amount of time;

23 24. For failing to file a report as required by Section 1314 of  
24 this title;



1 25. For filing a materially untrue monthly report;

2 26. For filing false affidavits regarding cancellation of the  
3 appointment of an insurer;

4 27. Forcing the Commissioner to withdraw deposited monies to  
5 pay forfeitures or any other outstanding judgments;

6 28. For failing to pay any fees to a district court clerk as  
7 are required by this title or failing to pay any fees to a municipal  
8 court clerk as are required by this title or by Section 28-127 of  
9 Title 11 of the Oklahoma Statutes;

10 29. For uttering an insufficient check or electronic funds  
11 transfer to the Insurance Commissioner for any fees, fines or other  
12 payments received by the Commissioner from the bail bondsman;

13 30. For failing to pay travel expenses for the return of the  
14 defendant to custody once having guaranteed the travel expenses  
15 ~~pursuant to the provisions of subparagraph d of paragraph 3 of~~  
16 ~~subsection C of Section 1332 of this title;~~

17 31. The Commissioner may also refuse to renew a licensed  
18 bondsman for failing to file all outstanding monthly bail reports,  
19 pay any outstanding fines, pay any outstanding monthly report  
20 reviewal fees owed to the Commissioner, or respond to a current  
21 order issued by the Commissioner; ~~and~~

22 32. For failing to accept or claim a certified mailing from the  
23 Insurance Department, addressed to the bondsman's mailing address on  
24 file with the Insurance Department; and

1       33. For posting a bond for any defendant without first  
2 obtaining a written or oral agreement with the defendant or cosigner  
3 of the bond.

4       B. In addition to any applicable denial, censure, suspension,  
5 or revocation of a license, any person violating any provision of  
6 Sections 1301 through 1340 of this title may be subject to a civil  
7 penalty of not less than Two Hundred Fifty Dollars (\$250.00) nor  
8 more than Two Thousand Five Hundred Dollars (\$2,500.00) for each  
9 occurrence. This fine may be enforced in the same manner in which  
10 civil judgments may be enforced. Any order for civil penalties  
11 entered by the Commissioner or authorized decision maker for the  
12 Insurance Department which has become final may be filed with the  
13 court clerk of Oklahoma County and shall then be enforced by the  
14 judges of Oklahoma County.

15       C. No bail bondsman or bail bond agency shall advertise as or  
16 hold itself out to be a surety company.

17       D. If any bail bondsman is convicted by any court of a  
18 violation of any of the provisions of this act, the license of the  
19 individual shall therefore be deemed to be immediately revoked,  
20 without any further procedure relative thereto by the Commissioner.

21       E. For one (1) year after notification by the Commissioner of  
22 an alleged violation, or for two (2) years after the last day the  
23 person was licensed, whichever is the lesser period of time, the  
24 Commissioner shall retain jurisdiction as to any person who cancels

1 his bail bondsman's license or allows the license to lapse, or  
2 otherwise ceases to be licensed, if the person while licensed as a  
3 bondsman allegedly violated any provision of this title. Notice and  
4 opportunity for hearing shall be conducted in the same manner as if  
5 the person still maintained a bondsman's license. If the  
6 Commissioner or a hearing examiner determines that a violation of  
7 the provisions of Sections 1301 through 1340 of this title occurred,  
8 any order issued pursuant to the determination shall become a  
9 permanent record in the file of the person and may be used if the  
10 person should request licensure or reinstatement.

11 F. Any law enforcement agency, district attorney's office,  
12 court clerk's office, or insurer that is aware that a licensed bail  
13 bondsman has been convicted of or has pleaded guilty or nolo  
14 contendere to any crime, shall notify the Insurance Commissioner of  
15 that fact.

16 SECTION 5. AMENDATORY 59 O.S. 2011, Section 1311.3, as  
17 amended by Section 1, Chapter 373, O.S.L. 2014 (59 O.S. Supp. 2014,  
18 Section 1311.3), is amended to read as follows:

19 Section 1311.3 A. It shall be unlawful for any person whose  
20 license to act as a bail bondsman has been suspended, revoked,  
21 surrendered, or refused, to do or perform any of the acts of a bail  
22 bondsman. Any person convicted of violating the provisions of this  
23 subsection shall be guilty of a felony and shall be punished by a  
24 fine in an amount not exceeding Five Thousand Dollars (\$5,000.00).

1 B. It shall be unlawful for any bail bondsman to assist, aid,  
2 or conspire with a person whose license as a bail bondsman has been  
3 suspended, revoked, surrendered, or refused, to engage in any acts  
4 as a bail bondsman. Any person convicted of violating the  
5 provisions of this subsection shall be guilty of a felony and shall  
6 be punished by a fine in an amount not to exceed Five Thousand  
7 Dollars (\$5,000.00).

8 C. The provisions of this section shall not apply to a person  
9 ~~who within ninety (90) days of the date their~~ whose bail bondsman  
10 license is suspended or revoked in this state and who contracts with  
11 a licensed bail enforcer pursuant to the Bail Enforcement and  
12 Licensing Act to cause the apprehension and surrender of his or her  
13 defendant clients to the appropriate authority. The defendant  
14 client must have a current undertaking or bail contract with the  
15 person whose bail bondsman license is suspended or revoked and such  
16 undertaking or bail contract must have been made in this state by  
17 the person whose license is now suspended or revoked. No acts other  
18 than contracting with a licensed bail enforcer to surrender a  
19 defendant client to the appropriate authority shall be authorized or  
20 recognized after a bail bondsman license is suspended or revoked.

21 SECTION 6. AMENDATORY 59 O.S. 2011, Section 1314, as  
22 amended by Section 5, Chapter 53, O.S.L. 2014 (59 O.S. Supp. 2014,  
23 Section 1314), is amended to read as follows:  
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1 Section 1314. A. When a bail bondsman or managing general  
2 agent accepts collateral, the bail bondsman or managing general  
3 agent shall give a written receipt for same, and this receipt shall  
4 give in detail a full description of the collateral received. A  
5 description of the collateral shall be listed on the undertaking by  
6 affidavit. All property taken as collateral, whether personal,  
7 intangible or real, shall be receipted for and deemed, for all  
8 purposes, to be in the name of, and for the use and benefit of, the  
9 surety company or licensed professional bondsman or multicounty  
10 agent bondsman, as the case may be. Every receipt, encumbrance,  
11 mortgage or other evidence of the custody, possession or claim shall  
12 facially indicate that it has been taken or made on behalf of the  
13 surety company or professional bondsman or multicounty agent  
14 bondsman through its authorized agent, the individual licensed  
15 bondsman or managing general agent who has transacted the  
16 undertaking with the bond principal. Any mortgage or other  
17 encumbrance against real property taken under the provisions of this  
18 section which does not indicate beneficial ownership of the claim to  
19 be in favor of the surety company or professional bondsman or  
20 multicounty agent bondsman shall be deemed to constitute a cloud on  
21 the title to real estate and shall subject the person filing, or  
22 causing same to be filed, in the real estate records of the county,  
23 to a penalty of treble damages or One Thousand Dollars (\$1,000.00),  
24 whichever is greater, in an action brought by the person,

1 organization or corporation injured thereby. For collateral taken,  
2 or liens or encumbrances taken or made pursuant to the provisions of  
3 this section, the individual bondsman or managing general agent  
4 taking possession of the property or making the lien, claim or  
5 encumbrance shall do so on behalf of the surety company or  
6 professional bondsman or multicounty agent bondsman, as the case may  
7 be, and the individual licensed bondsman shall be deemed to act in  
8 the capacity of fiduciary in relation to both:

9 1. The principal or other person from whom the property is  
10 taken or claimed against; and

11 2. The surety company or professional bondsman or multicounty  
12 agent bondsman whose agent is the licensed bondsman.

13 As fiduciary and bailee for hire, the individual bondsman shall  
14 be liable in criminal or civil actions at law for failure to  
15 properly receipt or account for, maintain or safeguard, release or  
16 deliver possession upon lawful demand, in addition to any other  
17 penalties set forth in this subsection. No person who takes  
18 possession of property as collateral pursuant to this section shall  
19 use or otherwise dissipate the asset, or do otherwise with the  
20 property than to safeguard and maintain its condition pending its  
21 return to its lawful owner, or deliver to the surety company or  
22 professional bondsman, upon lawful demand pursuant to the terms of  
23 the bailment.

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1 B. Every licensed bondsman shall file monthly electronically  
2 with the Insurance Commissioner and on forms approved by the  
3 Commissioner as follows:

4 1. A monthly report showing every bond written, amount of bond,  
5 whether released or revoked during each month, showing the court and  
6 county, and the style and number of the case, premiums charged and  
7 collateral received; and

8 2. Professional bondsmen and multicounty agent bondsmen shall  
9 submit electronic monthly reports showing total current liabilities,  
10 all bonds written during the month by the professional bondsman or  
11 multicounty agent bondsman and by any licensed bondsman who may  
12 countersign for the professional bondsman or multicounty agent  
13 bondsman, all bonds terminated during the month, and the total  
14 liability and a list of all bondsmen currently employed by the  
15 professional ~~bondsmen~~ bondsman or multicounty agent bondsman.

16 Monthly reports shall be submitted electronically to the  
17 Insurance Commissioner by the fifteenth day of each month. The  
18 records shall be maintained by the Commissioner as public records.

19 C. Every licensee shall keep at the place of business of the  
20 licensee the usual and customary records pertaining to transactions  
21 authorized by the license. All of the records shall be available  
22 and open to the inspection of the Commissioner at any time during  
23 business hours during the three (3) years immediately following the  
24 date of the transaction. The Commissioner may require a financial

1 examination or market conduct survey during any investigation of a  
2 licensee.

3 D. Each bail bondsman shall submit each month with the monthly  
4 report of the bondsman, a reviewal fee equal to two-tenths of one  
5 percent (2/10 of 1%) of the new liability written for that month.  
6 The fee shall be payable to the Insurance Commissioner who shall  
7 deposit same with the State Treasurer.

8 SECTION 7. AMENDATORY 59 O.S. 2011, Section 1315, as  
9 last amended by Section 5, Chapter 150, O.S.L. 2013 (59 O.S. Supp.  
10 2014, Section 1315), is amended to read as follows:

11 Section 1315. A. The following persons or classes shall not be  
12 bail bondsmen, shall not perform the acts of a bail bondsman and  
13 shall not directly or indirectly receive any benefits from the  
14 execution of any bail bond:

15 1. Persons convicted of, or who have pled guilty or nolo  
16 contendere to, any felony or to a misdemeanor involving dishonesty  
17 or moral turpitude;

18 2. Jailers;

19 3. Police officers;

20 4. Committing judges;

21 5. Municipal or district court judges;

22 6. Prisoners;

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1       7. Sheriffs, deputy sheriffs and any person having the power to  
2 arrest or having anything to do with the control of federal, state,  
3 county or municipal prisoners;

4       8. Any person who possesses a permit pursuant to the provisions  
5 of Section 163.11 of Title 37 of the Oklahoma Statutes or is an  
6 officer, director or stockholder of any corporation holding such a  
7 permit;

8       9. Any person who is an agent or owner of any establishment at  
9 which low-point beer as defined by Section 163.2 of Title 37 of the  
10 Oklahoma Statutes is sold for on-premises consumption;

11       10. Any person who holds any license provided for in Section  
12 518 of Title 37 of the Oklahoma Statutes or is an agent or officer  
13 of any such licensee, except for an individual holding an employee  
14 license pursuant to paragraph 20 of subsection A of Section 518 of  
15 Title 37 of the Oklahoma Statutes;

16       11. Any person who holds any license or permit from any city,  
17 town, county, or other governmental subdivision for the operation of  
18 any private club at which alcoholic beverages are consumed or  
19 provided;

20       12. Any person or agent of a retail liquor package store; and

21       13. Any person whose bail bondsman license has been revoked by  
22 the Insurance Commissioner.

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1 B. This section shall not apply to a sheriff, deputy sheriff,  
2 police officer, or officer of the law who is not on duty and who  
3 assists in the apprehension of a defendant.

4 C. The provisions of this section shall not apply to persons  
5 possessing permits or licenses pertaining to low-point beer or  
6 alcoholic beverages, as defined in Sections 163.2 and 506 of Title  
7 37 of the Oklahoma Statutes, which were issued prior to May 23,  
8 1984. No one shall be permitted to maintain an office for  
9 conducting bail bonds business where low-point beer or alcoholic  
10 beverages are sold for on-premises consumption.

11 SECTION 8. AMENDATORY 59 O.S. 2011, Section 1316, as  
12 last amended by Section 2, Chapter 385, O.S.L. 2014 (59 O.S. Supp.  
13 2014, Section 1316), is amended to read as follows:

14 Section 1316. A. 1. A bail bondsman shall neither sign nor  
15 countersign in blank any bond, nor shall the bondsman give a power  
16 of attorney to, or otherwise authorize, anyone to countersign the  
17 name of the bail bondsman to bonds unless the person so authorized  
18 is a licensed surety bondsman or managing general agent appointed by  
19 a licensed professional bondsman or multicounty agent bondsman  
20 giving the power of attorney. ~~The professional bondsman shall~~  
21 ~~submit to the Insurance Commissioner the agreement between the~~  
22 ~~professional bondsman and the appointed bondsman. The agreement~~  
23 ~~shall be submitted to the Commissioner prior to the appointed~~  
24 ~~bondsman writing bonds on behalf of the professional. The~~

1 professional bondsman or multicounty agent bondsman shall notify the  
2 Commissioner whenever any appointment is canceled. If the bondsman  
3 surrenders the professional or multicounty agent bondsman  
4 qualification, or the professional or multicounty agent bondsman  
5 qualification is suspended or revoked, or if an insurer authorized  
6 to write bail bond business surrenders their bail surety line of  
7 authority, or this line of authority is suspended or revoked, then  
8 the Commissioner shall suspend the appointment of all of the bail  
9 agents of the professional bondsman, multicounty agent bondsman or  
10 insurer. The Commissioner shall immediately notify any bail agent  
11 whose license is affected and the court clerk of the agent's  
12 resident county upon the suspension or revocation of the  
13 qualification of the professional bondsman or multicounty agent  
14 bondsman. If the professional or multicounty agent bondsman  
15 qualification or the bail surety line of authority is reinstated  
16 within twenty-four (24) hours, the Commissioner shall not be  
17 required to suspend the bail agent appointments. If the  
18 Commissioner reinstates the professional or multicounty agent  
19 bondsman qualification within twenty-four (24) hours, the  
20 Commissioner shall also reinstate the appointment of the bail agents  
21 of the professional bondsman, multicounty agent bondsman or bail  
22 insurer. If more than twenty-four (24) hours elapse following the  
23 suspension or revocation, then the professional bondsman,  
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1 multicounty agent bondsman or insurer shall submit new agent  
2 appointments to the Commissioner.

3 2. Bail bondsmen shall not allow other licensed bondsmen to  
4 present bonds that have previously been signed and completed. The  
5 bail bondsman that presents the bond shall sign the form in the  
6 presence of the official that receives the bond.

7 B. Premium charged shall be indicated on the appearance bond  
8 prior to the filing of the bond.

9 C. 1. At the time of payment, a bail bondsman shall provide  
10 the indemnitors with a proper receipt.

11 2. Any receipt provided by a bondsman shall be individually  
12 numbered and include:

13 a. the precise amount of the fees, premium, collateral,  
14 or other payments received by the bondsman,

15 b. copies of any agreements executed relating to the  
16 appearance bond,

17 c. the full name of the defendant,

18 d. the defendant's case number if it is available, and

19 e. full name of the individual(s) presenting the payment.

20 D. All surety bondsmen or managing general agents shall attach  
21 a completed power of attorney to the appearance bond that is filed  
22 with the court clerk on each bond written.

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1 E. Any bond written in this state shall contain the name and  
2 last-known mailing address of the bondsman and, if applicable, of  
3 the insurer.

4 SECTION 9. AMENDATORY 59 O.S. 2011, Section 1317, as  
5 last amended by Section 3, Chapter 385, O.S.L. 2014 (59 O.S. Supp.  
6 2014, Section 1317), is amended to read as follows:

7 Section 1317. A. Every surety ~~or~~, professional bondsman or  
8 multicounty agent bondsman who appoints a surety bondsman or  
9 managing general agent in the state, shall give notice thereof to  
10 the Insurance Commissioner. The filing fee for appointment of each  
11 surety bondsman or managing general agent shall be Ten Dollars  
12 (\$10.00), payable to the Commissioner and shall be submitted with  
13 the appointment. The appointment shall remain in effect until the  
14 surety ~~or~~, professional bondsman or multicounty agent bondsman  
15 submits a notice of cancellation to the Commissioner, the license of  
16 the bail bondsman expires, or the Commissioner cancels the  
17 appointment. The Commissioner may cancel a bail surety appointment  
18 if the license of the bondsman is suspended, revoked or nonrenewed.  
19 If the surety changes the liability limitations of the surety  
20 bondsman or the managing general agent, or any other provisions of  
21 the appointment, the surety shall submit an amended appointment form  
22 and a filing fee of Ten Dollars (\$10.00) payable to the  
23 Commissioner.

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1 B. A surety terminating the appointment of a surety bondsman or  
2 managing general agent immediately shall file written notice thereof  
3 with the Commissioner, together with a statement that it has given  
4 or mailed notice to the surety bondsman or managing general agent.  
5 The notice filed with the Commissioner shall state the reasons, if  
6 any, for the termination.

7 C. Prior to issuance of a new surety appointment for a surety  
8 bondsman or managing general agent, the bondsman or agent shall file  
9 an affidavit with the Commissioner stating that no forfeitures are  
10 owed to any court, no fines or fees are owed to the insurance  
11 department, and no premiums or indemnification for forfeitures or  
12 fines are owed to any insurer, insureds, or others received in the  
13 conduct of business under the license. If any statement made on the  
14 affidavit is found by the Commissioner to be false, the Commissioner  
15 may deny the new surety appointment, apply the sanctions set forth  
16 in Section 1310 of this title or both. This provision shall not  
17 require that all outstanding liabilities have been exonerated, but  
18 may provide that the liabilities are still being monitored by the  
19 bondsman or agent.

20 D. Every bail bondsman who negotiates and posts a bond shall,  
21 in any controversy between the defendant, indemnitor, or guarantor  
22 and the bail bondsman or surety, be regarded as representing the  
23 surety. This provision shall not affect the apparent authority of a  
24 bail bondsman as an agent for the insurer.

1 SECTION 10. AMENDATORY 59 O.S. 2011, Section 1320, as  
2 last amended by Section 4, Chapter 385, O.S.L. 2014 (59 O.S. Supp.  
3 2014, Section 1320), is amended to read as follows:

4 Section 1320. A. No bail bondsman shall become a surety on an  
5 undertaking unless he has first registered his license in the office  
6 of the sheriff and with the court clerk ~~of the district court~~ in the  
7 county in which the bondsman resides or offices, but not both. In  
8 the county in which a bondsman registers his license, he shall  
9 provide the court clerk with proof that he is a resident of said  
10 county or that he offices in said county. The court clerk of the  
11 county shall provide a list of bondsmen permitted to write bail in  
12 that county to the judges and law enforcement offices of that  
13 county. Law enforcement shall provide the list to any incarcerated  
14 individual upon request. The list shall consist of professional,  
15 multicounty agent, property, cash and surety bail bondsmen. Any  
16 surety bondsman without a current surety appointment shall be  
17 removed from the list. In any county not having a licensed bondsman  
18 authorized to do business within said county, the court having  
19 jurisdiction shall allow and fix bail.

20 ~~A surety bondsman shall also file a certified copy of his~~  
21 ~~appointment by power of attorney from the insurer which he~~  
22 ~~represents as agent with each of said officers. A fee of Twenty~~  
23 ~~Dollars (\$20.00) shall be paid to the district court clerk for each~~  
24 ~~county in which the bail bondsman registers his license. The fee~~

1 ~~shall be payable biennially by the date of license renewal. The~~  
2 ~~clerk of the district court and the sheriff shall not permit the~~  
3 ~~registration of a bail bondsman unless such bondsman is currently~~  
4 ~~licensed by the Insurance Commissioner under the provisions of~~  
5 ~~Section 1301 et seq. of this title.~~

6 B. Notwithstanding the foregoing provisions of this section, a  
7 bondsman may write bonds on no more than ten defendants per year in  
8 each of the remaining seventy-six counties of this state in which  
9 the bondsman cannot register his license. Provided, however, a  
10 bondsman shall not be limited to writing bonds on only ten  
11 defendants per year in a county which does not have a licensed  
12 bondsman registered in said county. The bondsman shall advise the  
13 court clerk of each such county in writing of his intention to write  
14 bonds in the county and shall file a certified copy of his license  
15 with ~~and pay a fee of Ten Dollars (\$10.00) to each such court clerk.~~

16 C. A surety bondsman shall also file with the court clerk a  
17 certified copy of his or her appointment by power of attorney from  
18 the insurer whom he or she represents as an agent.

19 D. A fee of Twenty Dollars (\$20.00) shall be paid to the court  
20 clerk for each county in which the bail bondsman registers or files  
21 his or her license. The fee shall be payable biennially by the date  
22 of license renewal. The court clerk and the sheriff shall not  
23 permit the registration or filing of a bail bondsman unless such  
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1 bondsman is currently licensed by the Insurance Commissioner under  
2 the provisions of Section 1301 et seq. of this title.

3 SECTION 11. AMENDATORY 59 O.S. 2011, Section 1321, is  
4 amended to read as follows:

5 Section 1321. Each and every surety for the release of a person  
6 on bail shall be qualified as:

7 ~~(1)~~ 1. An insurer and represented by a surety bondsman or  
8 bondsmen; ~~or~~

9 ~~(2)~~ 2. A professional bondsman properly qualified and approved  
10 by the Insurance Commissioner; ~~or~~

11 ~~(3)~~ 3. A cash bondsman; ~~or~~

12 ~~(4)~~ 4. A property bondsman; ~~or~~

13 ~~(5)~~ 5. A multicounty agent bondsman properly qualified and  
14 approved by the Insurance Commissioner; or

15 6. A natural person who has reached the age of twenty-one (21)  
16 years, a citizen of the United States and a bona fide resident of  
17 Oklahoma for a period of six (6) months immediately last past and  
18 who holds record title to property in Oklahoma, cash or other things  
19 of value, acceptable to the proper authority approving the bail  
20 bond.

21 SECTION 12. NEW LAW A new section of law to be codified  
22 in the Oklahoma Statutes as Section 1341 of Title 59, unless there  
23 is created a duplication in numbering, reads as follows:

24

1       Notwithstanding any other provision of law that requires a  
2 particular form and associated payment to be filed with the  
3 Insurance Department in paper form or mailed or hand-delivered to  
4 the Insurance Department, the Insurance Commissioner may, by  
5 appropriate order, require that all filings or payments of that  
6 specific type be filed or delivered in an electronic format.

7       SECTION 13.       RECODIFICATION       59 O.S. 2011, Section 1306A,  
8 as amended by Section 2 of this act, shall be recodified as Section  
9 1306.1 of Title 59 of the Oklahoma Statutes, unless there is created  
10 a duplication in numbering.

11       SECTION 14.   This act shall become effective November 1, 2015.

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