

By: Hinojosa

S.B. No. 624

A BILL TO BE ENTITLED

AN ACT

relating to the regulation of bail bond sureties.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 1704.001(4), Occupations Code, is amended to read as follows:

(4) "Bonding business" or "bail bond business" means the solicitation, negotiation, or execution of a bail bond by a bail bond surety.

SECTION 2. Section 1704.002, Occupations Code, is amended to read as follows:

Sec. 1704.002. APPLICATION OF CHAPTER. This chapter applies only in a county with a population of:

(1) 50,000 [~~110,000~~] or more; or

(2) less than 50,000 [~~110,000~~] in which a board is created.

SECTION 3. Section 1704.051, Occupations Code, is amended to read as follows:

Sec. 1704.051. MANDATORY CREATION OF BOARD. A board is created in each county with a population of 50,000 [~~110,000~~] or more.

SECTION 4. Section 1704.052, Occupations Code, is amended to read as follows:

Sec. 1704.052. DISCRETIONARY CREATION OF BOARD. A board may be created in a county with a population of less than 50,000

1 [110,000] if a majority of the persons who would serve as members of
2 the board under Section 1704.053, or who would designate the
3 persons who would serve as members of the board, determine to create
4 a board.

5 SECTION 5. Section 1704.152(a), Occupations Code, is
6 amended to read as follows:

7 (a) To be eligible for a license under this chapter, an
8 individual, including an agent designated by a corporation in an
9 application, must:

10 (1) be a resident of this state and a citizen of the
11 United States;

12 (2) be at least 18 years of age;

13 (3) possess the financial resources required to comply
14 with Section 1704.160, unless the individual is acting only as
15 agent for a corporation holding a license under this chapter; and

16 (4) submit documentary evidence that [have], in the
17 two years preceding the date a license application is filed, the
18 individual:

19 (A) has been continuously employed by a person
20 licensed under this chapter for at least one year and for not less
21 than 30 hours per week, excluding annual leave, and has performed
22 duties that encompass all phases of the bonding business [of
23 continuous work experience in the bail bond business]; and

24 (B) completed in person at least eight hours of
25 continuing legal education in criminal law courses or bail bond law
26 courses that are approved by the State Bar of Texas and that are
27 offered by an accredited institution of higher education in the

1 state.

2 SECTION 6. Section 1704.163, Occupations Code, is amended
3 to read as follows:

4 Sec. 1704.163. ATTORNEY EXEMPTION. (a) Except as provided
5 by this section, a person not licensed under this chapter may
6 execute a bail bond or act as a surety for another person in any
7 county in this state if the person:

8 (1) is licensed to practice law in this state; and

9 (2) at the time the bond is executed or the person acts
10 as a surety, files a notice of appearance as counsel of record in
11 the criminal case for which the bond was executed or surety provided
12 or submits proof that the person has previously filed with the court
13 in which the criminal case is pending the notice of appearance as
14 counsel of record [~~represents the other person in the criminal case~~
15 ~~for which the bond was given~~].

16 (b) A person executing a bail bond or acting as a surety
17 under this section may not engage in conduct involved with that
18 practice that would subject a bail bond surety to license
19 suspension or revocation. If the board determines that a person has
20 violated this subsection, the board may suspend or revoke the
21 person's authorization to post a bond under this section or may bar
22 the person from executing [~~person may not execute~~] a bail bond or
23 acting [~~act~~] as a surety under this section until the person has
24 remedied the violation.

25 (c) A person executing a bail bond or acting as a surety
26 under this section [~~who has been paid a fee for executing the bond~~
27 ~~or acting as the surety~~] is not relieved of liability on the bond

1 solely because the person is later replaced as attorney of record in
2 ~~[has not been employed to represent the principal on the merits of]~~
3 the criminal case.

4 SECTION 7. Section 1704.210(a), Occupations Code, is
5 amended to read as follows:

6 (a) A license holder may withdraw the security deposited or
7 executed under Section 1704.160, and the security shall be returned
8 to the license holder or the license holder's heirs or assigns, if:

9 (1) the license holder:

10 (A) ceases to engage in the bonding business;

11 (B) ceases to maintain the license; ~~and~~

12 (C) presents a release by the board; and

13 (D) does not have a ~~[(2) no]~~ judgment or bond
14 liability, actual or potential, ~~is~~ outstanding against the
15 license holder; or

16 (2) for a license holder who has not ceased to engage
17 in the bonding business, after release of the requested security,
18 the license holder will have sufficient security to meet the
19 minimum deposit requirement under Section 1704.160 and will be in
20 compliance with the limitations established by Section 1704.203.

21 SECTION 8. Notwithstanding Section 1704.051, Occupations
22 Code, as amended by this Act, a county with a population of 50,000
23 or more that has not established a county bail bond board under
24 Chapter 1704, Occupations Code, as amended by this Act, is not
25 required to establish a county bail bond board before January 1,
26 2006.

27 SECTION 9. This Act takes effect September 1, 2005.