

# HOUSE BILL REPORT

## ESB 6544

---

---

**As Passed House - Amended:**

February 29, 1996

**Title:** An act relating to bail bond agency branch offices.

**Brief Description:** Regulating bail bond agency branch offices.

**Sponsors:** Senators Smith and McCaslin.

**Brief History:**

**Committee Activity:**

Commerce & Labor: 2/21/96, 2/22/96 [DPA].

**Floor Activity:**

As Passed House - Amended: 2/29/96, 90-0.

---

### HOUSE COMMITTEE ON COMMERCE & LABOR

**Majority Report:** Do pass as amended. Signed by 11 members: Representatives McMorris, Chairman; Hargrove, Vice Chairman; Romero, Ranking Minority Member; Conway, Assistant Ranking Minority Member; Cairnes; Cody; Cole; Fuhrman; Goldsmith; Horn and Lisk.

**Staff:** Pam Madson (786-7166).

**Background:** A program for licensing and overseeing bail bond businesses and agents was established in 1993. The program is implemented by the Department of Licensing. Each licensed bail bond agency must have a qualified agent who is responsible for the business's record-keeping requirements and trust account administration. Records must be located at the business address listed on the license.

The department has established by rule that a branch office of a licensed bail bond agency must also be licensed and must have a qualified agent. Each licensed location is subject to the license fee of \$800. Qualified agents may be the business owner, manager, or chief operating officer of a corporation.

When a bail bond is exonerated by the court, all collateral or security must be returned to the person entitled to it by the bail bond agency within five business days after notice of exoneration and upon demand.

**Summary of Bill:** A branch office is defined in statute to include any office physically separated from the principal place of business from which a licensee, employee, or agent sells or issues bail bonds.

Each branch office must be licensed and operated under the name of the principal bail bond agency and must have a qualified agent as manager of the office. A license may be issued to a bail bond agency for one or more branch offices upon payment of a fee set by the director. A bail bond agency may have only one principal office.

When a bail bond is exonerated by the court, the bail bond agency must return the collateral or security within five days after notice of exoneration and upon written demand.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** Sometimes bail bond agents issue bonds and take collateral at places other than where their offices may be located. They may not return the collateral for the bond as soon as they should. The branch office requirements would cause these agents to comply with the full provisions of existing licensing law. Concern has been expressed that smaller counties would not be able to have bail bond services available under these requirements. Amendments are proposed to address this concern.

**Testimony Against:** None.

**Testified:** (In favor) Gordon Walgren, Washington State Bail Agents Association.