

FINAL BILL REPORT

SHB 1870

C 260 L 93
Synopsis as Enacted

Brief Description: Licensing bail bond agents.

By House Committee on Financial Institutions & Insurance
(originally sponsored by Representatives Zellinsky, Heavey
and R. Meyers).

House Committee on Financial Institutions & Insurance
Senate Committee on Labor & Commerce

Background: A bail bond is a form of surety insurance regulated under the Insurance Code. Bail bond agents as providers of such surety products are also subject to the insurance commissioner's authority as insurance agents or brokers. Apart from general requirements of the Insurance Code, bail bond agents are not separately licensed and regulated. No specific provision of state law governs the accounting or release of property pledged to secure a bail bond. Some bail bond agents have converted funds or property to personal use and others have failed to release pledged property in a timely manner.

Summary: A new regulatory program is established to license and oversee bail bond agents. The director of the Department of Licensing is responsible for licensing bail bond agents, developing examinations for licensees, and developing prelicensing education requirements. The department is also granted rule making authority and enforcement authority.

The director may suspend or revoke a license, assess a monetary penalty, restrict or limit the agent's practice, and take other corrective action against agents who violate any of the enumerated requirements for holding a license. Among the prohibited practices by bail bond agents are failure to maintain records, failure to place money and other similar security in a trust account, and failure to release pledged property within 30 days after the owner is entitled to possession.

Votes on Final Passage:

House	98	0	
Senate	45	0	(Senate amended)
House	94	0	(House concurred)

Effective: July 1, 1993