

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

SENATE BILL 962
RATIFIED BILL

AN ACT TO REQUIRE BAIL BONDSMEN TO SUBMIT AFFIDAVITS STATING THAT THERE ARE NO PREMIUMS OWED TO FORMER INSURERS AND THAT ALL FORFEITURES OR JUDGMENTS ARE SATISFIED OR DISCHARGED.

The General Assembly of North Carolina enacts:

SECTION 1. Article 71 of Chapter 58 of the General Statutes is amended by adding a new section to read:

"§ 58-71-141. Appointment of bail bondsmen; affidavit required.

(a) Prior to receiving an appointment, a surety bondsman shall submit to the Commissioner an affidavit, signed under oath, by the surety bondsman and by any former insurer, stating that the surety bondsman does not owe any premium or unsatisfied judgment to any insurer and that the bondsman agrees to discharge all outstanding forfeitures and judgments on bonds previously written. The affidavit shall be in a form prescribed by the Commissioner. If the surety bondsman does not satisfy or discharge all forfeitures or judgments, the former insurer shall submit a notice, with supporting documents, to the appointing insurer, the surety bondsman, and the Commissioner, which states, under oath, that the surety bondsman has failed to satisfy, in a timely manner, the forfeitures and judgments on bonds written by the surety bondsman and that the former insurer has satisfied the forfeiture or judgment from its own funds. Upon receipt of the notification and supporting documents, the appointing insurer shall immediately cancel the surety bondsman's appointment. The surety bondsman may be reappointed only upon certification by the former insurer that all forfeitures and judgments on bonds written by the surety bondsman have been discharged. The appointing insurer or surety bondsman may, within 10 days of the receipt of notice from the former insurer, appeal to the Commissioner.

(b) The Commissioner shall adopt rules, including rules regarding the process of appeals and stays of the requirements of this section, to implement this section.

(c) As used in this section, "former insurer" means the insurer with whom the surety bondsman had a prior appointment and who is responsible for any outstanding bonds written by the surety bondsman."

SECTION 2. This act becomes effective October 1, 2003, and applies to all appointments of bondsmen on or after that date.

In the General Assembly read three times and ratified this the 29th day of May, 2003.

Beverly E. Perdue
President of the Senate

Richard T. Morgan
Speaker of the House of Representatives

Michael F. Easley
Governor

Approved _____m. this _____ day of _____, 2003