
SENATE BILL No. 525

DIGEST OF INTRODUCED BILL

Citations Affected: IC 27-10.

Synopsis: Bail agent education and reporting. Requires submission of certain information to the insurance commissioner at the time a bail agent's license is renewed. Specifies certain qualifications for a provider of bail agent and recovery agent education courses.

Effective: July 1, 2011.

Paul

January 18, 2011, read first time and referred to Committee on Insurance and Financial Institutions.

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First Regular Session 117th General Assembly (2011)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2010 Regular Session of the General Assembly.

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SENATE BILL No. 525



A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 27-10-2-14 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 14. (a) When a bail
3 agent or insurer accepts collateral, the bail agent or insurer shall give
4 a written receipt for the collateral. The receipt shall give in detail a full
5 description of the collateral received and the terms of redemption. The
6 collateral shall be considered to have been taken in a fiduciary
7 capacity. The bail agent or insurer shall keep copies of all receipts at
8 the bail agent's or insurer's place of business to be available to the
9 commissioner for the commissioner's review.

10 (b) A bail agent or an insurer shall maintain in the bail agent's or
11 insurer's office records of bail bonds executed or countersigned by the
12 bail agent or insurer for at least one (1) year after the liability of the
13 surety has been terminated. Salient details of the bonds shall be a part
14 of the records required by this subsection.

15 (c) ~~Before August 16 of each year, a~~ **At the time a bail agent's**
16 **license issued under IC 27-10-3 is renewed, the** bail agent or a firm
17 or an agency ~~a~~ **that the** bail agent is employed by, associated with, or



1 a member of shall file with the commissioner a sworn statement on a
2 form furnished by the commissioner. The statement must include:

- 3 (1) a list of every outstanding or unpaid late surrender fee and
- 4 judgment;
- 5 (2) the name of the court in which each outstanding or unpaid late
- 6 surrender fee and judgment is recorded; and
- 7 (3) all other information determined by the commissioner to be
- 8 pertinent.

9 (d) The commissioner may:

- 10 (1) deny;
- 11 (2) suspend;
- 12 (3) revoke; or
- 13 (4) refuse to renew;

14 a license issued under this article for failure of the licensee to comply
15 with subsection (c).

16 (e) The commissioner may impose a civil penalty of not more than
17 ten thousand dollars (\$10,000) against:

- 18 (1) an insurer;
- 19 (2) a bail agent; or
- 20 (3) a firm or an agency;

21 for failure to comply with subsection (c).

22 (f) A civil penalty imposed under subsection (e) may be enforced in
23 the same manner as a civil judgment.

24 SECTION 2. IC 27-10-3-7.1, AS ADDED BY P.L.102-2005,
25 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
26 JULY 1, 2011]: Sec. 7.1. (a) A provider of courses required for
27 licensure under sections 3 and 5 of this chapter or license renewal
28 under section 7 of this chapter:

- 29 (1) shall obtain from the commissioner approval of the courses
- 30 and instructors before the courses are conducted;
- 31 (2) shall annually pay to the commissioner a reasonable fee, as
- 32 determined by the commissioner;

33 **(3) must have been:**

- 34 **(A) a full-time resident of Indiana; and**
- 35 **(B) licensed as a bail agent under this chapter;**
- 36 **for at least five (5) of the immediately preceding ten (10)**
- 37 **years; and**

38 ~~(3)~~ **(4)** shall comply with any other requirements established by
39 the commissioner.

40 **However, the commissioner may waive the requirement specified**
41 **in subdivision (3)(A).**

42 (b) A provider described in subsection (a) may charge a reasonable

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1 fee for attendance at an approved course.
 2 (c) A fee paid under subsection (a)(2) must be:
 3 (1) deposited in the bail bond enforcement and administration
 4 fund created under IC 27-10-5-1; and
 5 (2) used to implement this article.
 6 (d) The commissioner shall:
 7 (1) establish criteria for approval or disapproval of instructors and
 8 courses required for:
 9 (A) licensure under sections 3 and 5 of this chapter; and
 10 (B) license renewal under section 7 of this chapter; and
 11 (2) approve or disapprove instructors and courses specified in
 12 subdivision (1);
 13 that pertain to the duties and responsibilities of a bail agent and
 14 recovery agent, including instruction concerning the laws that relate to
 15 the conduct of a bail agent and recovery agent.
 16 SECTION 3. IC 27-10-3-14 IS AMENDED TO READ AS
 17 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 14. A person who is
 18 licensed as a bail agent may use as a recovery agent any person who
 19 holds a valid recovery agent's license. A bail agent must, ~~on or before~~
 20 **October 1 of each year, at the time the bail agent's license is renewed**
 21 **under this chapter**, furnish to the commissioner, on a form supplied
 22 by the commissioner, a list of all recovery agents used by the bail agent
 23 during the preceding year.

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