

HOUSE BILL 351

By Cooper

AN ACT to amend Tennessee Code Annotated, Title 40,
Chapter 11, relative to bail.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 40-11-151, is amended by deleting the following language:

Any person utilizing the services of a professional bail bondsman or bonding agent shall receive a copy of the following notice with the person's bail bond. No changes may be made in the substance of the notice; but minor printing adjustments may be made. The notice may be printed on the face, back or as a separate attachment to the bond.

NOTICE IF YOU USE A PROFESSIONAL BONDSMAN:

Amount of Charges to You. The premium fee for your bond should not be more than ten percent (10%) of the face amount of your bond. For example, if your bond is twenty-five hundred dollars (\$2,500), the premium on the bond should not be more than two hundred fifty dollars (\$250). In addition to this amount, the law also permits a one-time \$25 initiation fee, (T.C.A. § 40-11-316).

and by substituting instead the following language:

Any person utilizing the services of a professional bail bondsman or bonding agent shall receive a copy of the following notice with the person's bail bond.

NOTICE
IF YOU USE A PROFESSIONAL BONDSMAN OR BAIL BOND INSURANCE
AGENT:

Amount of Charges to You. The maximum or minimum premium fee for your bond should not be more nor less than ten percent (10%) of the face amount of your

bond. For example, if your bond is twenty-five hundred dollars (\$2,500), the premium on the bond should not be more than nor less than two hundred fifty dollars (\$250). In addition to this amount, the law also permits a one-time twenty-five dollar (\$25.00) initiation fee, see amendment (T.C.A. § 40-11-316).

SECTION 2. Tennessee Code Annotated, Section 40-11-302, is amended by adding the following as new subsections:

(f) Where collateral pledged is cash, certificate of deposit, or equity in real estate, the maximum amount of each individual bond executed by a professional bondman shall not, in any case, be greater than the total amount of cash, value of certificate of deposit, or equity in real estate on deposit or pledged.

(g) The city court, general sessions and circuit court clerks of each county shall have a joint day-to-day record of the total amount of liabilities outstanding on all collateral pledged cash, certificate of deposit, or equity in real estate. Where the bondsman has incurred the total ten (10) times liabilities, the city court, general sessions and circuit court clerks shall notify the bondsman and the detention clerk at every jail the bondsman is authorized to execute bonds, of all such total liabilities. The detention clerk of each jail shall be prohibited to accept bonds in any such case until the bondsman has pledge more collaterals, to exceed present collaterals value on hand, with city court, general sessions and circuit court clerks or until total bond liabilities are reduced below total ten (10) times liabilities.

(h) The detention clerk of every jail shall be furnished a day-to-day record, by the city court, general sessions and circuit court clerks of each professional bondsman's total collaterals pledged and execution capacities.

SECTION 3. Tennessee Code Annotated, Section 40-11-316, is amended by deleting subsection (a) in its entirety and by substituting instead the following:

(a) Professional bondmen and agents of insurance companies making appearance bonds of a criminal nature shall not assess more than ten percent (10%) of the amount of the face value of the bond for maximum premium fee and related charge

or charges, and the premium fee and related charge or charges shall not be assessed but one (1) time during the first twelve (12) months of the pendency of the charge or charges and indictment or indictments in either the trial court or any lower court. The minimum premium collected before the execution of bail shall not be less than ten percent (10%) of the face value of the bond. To collect less than the ten percent (10%) shall constitute a violation of § 40-11-126(4) regarding rebating, involving making a deduction from reducing or lessening the premium fee.

SECTION 4. This act shall take effect July 1, 2013, the public welfare requiring it.