

GENERAL ASSEMBLY OF NORTH CAROLINA



Session 2005

Legislative Fiscal Note

BILL NUMBER: Senate Bill 846 (Second Edition)

SHORT TITLE: Modernize Bail Bondsman Registration.

SPONSOR(S): Senator Swindell

FISCAL IMPACT					
	Yes ()	No ()	No Estimate Available (X)		
	<u>FY 2006-07</u>	<u>FY 2007-08</u>	<u>FY 2008-09</u>	<u>FY 2009-10</u>	<u>FY 2010-11</u>
REVENUES:	No Estimate Available				
EXPENDITURES:	No Fiscal Impact				
POSITIONS (cumulative):					
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Administrative Office of the Courts, Department of Insurance					
EFFECTIVE DATE: When the bill becomes law.					

BILL SUMMARY:

This bill would require that the Administrative Office of the Courts establish a statewide Electronic Bondsmen Registry by July 1, 2006 for all licenses, powers of appointment, and powers of attorney as required by G.S. 58-71-140. It would require the Administrative Office of the Courts to give notification of the establishment of the Registry to the Commissioner of Insurance. The Commissioner of Insurance is required to notify all licensed professional bail bondsmen, surety bondsmen and runners about the registry. Registration with the statewide registry would replace the current county-level registration with the clerks of court and would allow all licensed professional bail bondsmen, surety bondsmen and runners to operate statewide rather than only in the counties in which they are registered.

Fiscal Impact on Expenditures: This bill would require the Administrative Office of the Courts to establish a statewide Electronic Bondsmen Registry by July 1, 2006 for all licenses, powers of appointment, and powers of attorney as required by G.S. 58-71-140. As prescribed in Article 71 of Chapter 58 of the General Statutes, the Commissioner of Insurance is responsible for the licensing of professional bail bondsmen, surety bondsmen, and runners. Also, as required by G.S. 58-71-115

and G.S. 58-71-125, every insurer and bail bondman must notify the Commissioner annually of appointments of surety bondmen and runners, respectively.

Based on information provided by the Administrative Office of the Courts (AOC), bail bondsmen and bail agents are currently required to register with the Clerk of Superior Court in each county in which they conduct business. In addition, bail agents are required to register with each insurance company that they represent. The clerk would follow existing procedure to record the registration in the court's civil automation system at a statewide level rather than on a county-by-county basis. The AOC will coordinate with the Department of Insurance to ensure that the registry contains the most current data. Both AOC and the Department of Insurance estimate that they can perform their responsibilities under the bill at no additional cost.

Fiscal Impact on Revenue: Currently, the clerks collect fees in connection with each registration. Because of the elimination of the requirement for multiple registrations, the fees would be reduced. However, AOC is unable to estimate the exact amount that is being collected now and therefore, cannot estimate the extent to which the collections would be reduced. AOC does, however, estimate that the amount involved is not significant.

SOURCES OF DATA: Administrative Office of the Courts, Department of Insurance

TECHNICAL CONSIDERATIONS:

The bill states that the registry shall be established on or before July 1, 2006. However, the registry will not be completed until the end of July 2006.

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Date: July 5, 2006



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