

**FIRST ENGROSSMENT  
with Senate Amendments  
ENGROSSED HOUSE BILL NO. 1126**

Introduced by

Judiciary Committee

(At the request of the Insurance Commissioner)

1 A BILL for an Act to amend and reenact sections 26.1-26.6-01, 26.1-26.6-04, 26.1-26.6-05, and  
2 26.1-26.6-07 of the North Dakota Century Code, relating to bail bond agents and defendant  
3 retrieval; and to provide a penalty.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1. AMENDMENT.** Section 26.1-26.6-01 of the North Dakota Century Code is  
6 amended and reenacted as follows:

7 **26.1-26.6-01. Definition.**

8 As used in this chapter, unless the context otherwise requires, "bail bond agent" means any  
9 person ~~whothat~~ that has been licensed by the commissioner and appointed by an insurer by power  
10 of attorney to execute or countersign bail bonds for the insurer in connection with the judicial  
11 proceedings and charges and receives money for the services.

12 **SECTION 2. AMENDMENT.** Section 26.1-26.6-04 of the North Dakota Century Code is  
13 amended and reenacted as follows:

14 **26.1-26.6-04. ~~Qualification~~Appointment and license as bail bond agent - Pledge of  
15 property as security - Penalty.**

16 A person may not act in the capacity of a bail bond agent or perform any of the functions,  
17 duties, or powers prescribed for a bail bond agent under this chapter unless that person is  
18 ~~qualified~~appointed and licensed as provided in this chapter. However, this section does not  
19 prohibit any individual from pledging real or other property as security for a bail bond in judicial  
20 proceedings if the individual does not receive, or is not promised, money or other things of  
21 value therefor. Violation of this section is a class ~~B~~A misdemeanor.

22 **SECTION 3. AMENDMENT.** Section 26.1-26.6-05 of the North Dakota Century Code is  
23 amended and reenacted as follows:

1       **26.1-26.6-05. Violations - Penalties.**

- 2       1. The commissioner may suspend, revoke, or refuse to continue, issue, or renew any  
3       license issued under this chapter if, after notice to the licensee and hearing, the  
4       commissioner finds as to the licensee any of the following conditions:
- 5       a. Recommending any particular attorney at law to handle the case in which the bail  
6       bond agent has caused a bond to be issued under this chapter.
  - 7       b. Forging the name of another to a bond or application for bond.
  - 8       c. Soliciting business in or about any place for prisoners or persons confined,  
9       arraigned, or in custody.
  - 10      d. Paying a fee or rebate, or giving or promising anything of value to a jailer, trustee,  
11      police officer or officer of the law, or any other person who has power to arrest or  
12      hold in custody or to any public official or public employee in order to secure a  
13      settlement, compromise, remission, or reduction of the amount of any bail bond  
14      or entreatment thereof, or to secure, delay, or other advantage. This subdivision  
15      does not apply to a jailer, police officer, or officer of the law who is not on duty  
16      and who assists in the apprehension of a defendant.
  - 17      e. Paying a fee or rebating or giving anything of value to an attorney in bail bond  
18      matters, except in defense of any action on a bond.
  - 19      f. Accepting anything of value from a principal other than a premium. Provided, the  
20      bail bond agent may accept collateral security or other indemnity from the  
21      principal which must be returned immediately upon final termination of liability on  
22      the bond. Such collateral security or other indemnity required by the bail bond  
23      agent must be reasonable in relation to the amount of the bond.
  - 24      g. Willfully failing to return collateral security to the principal when the principal is  
25      entitled to the security.
  - 26      h. Knowingly employing a person whose insurance producer license has been  
27      revoked, suspended, or denied in this or any other state.
  - 28      i. Knowingly or intentionally executing a bail bond without collecting in full a  
29      premium for the bond, at the premium rate as filed with and approved by the  
30      commissioner.

1           j. Failing to pay any forfeiture as directed by a court and as required by this  
2           chapter.

3           2. For purposes of subdivisions f and g of subsection 1, a bail bond agent shall monitor  
4           the status of bonds written by the bail bond agent to make timely return of the  
5           collateral security to the principal. It is not a defense to administrative action under this  
6           section that the bail bond agent did not know liability on the bond had been terminated  
7           or that the principal was entitled to return of the security.

8           3. A bail bond agent or bail bond agency may not advertise as or hold itself out to be a  
9           surety company.

10          ~~3.4.~~ A bail bond agent may not sign nor countersign any blank in any bond, nor give up  
11          power of attorney to or otherwise authorize, anyone to countersign the bail bond  
12          agent's name to bonds.

13          4.5. When a bail bond agent accepts collateral, the bail bond agent shall give a written  
14          receipt for the collateral and this receipt must contain a full description of the collateral  
15          received in the terms of redemption. The bail bond agent shall keep copies of all  
16          receipts of the bonds to be placed in business to be available to the commissioner for  
17          the commissioner's review.

18          ~~5.6.~~ The provisions and penalties under this section are in addition to those provided under  
19          chapter 26.1-26.

20          **SECTION 4. AMENDMENT.** Section 26.1-26.6-07 of the North Dakota Century Code is  
21          amended and reenacted as follows:

22          **26.1-26.6-07. Surrender of defendant prior to breach- Penalty.**

23          ~~At any time before there has been a breach of the undertaking in any type of bail provided-~~  
24          ~~herein~~

25          1. At any time after a defendant has been released from custody pursuant to a bail bond,  
26          the surety or bail bond agent may surrender the defendant, or the defendant may  
27          surrender, to the official to whose custody the defendant would have been given had  
28          the defendant been committed. The defendant may be surrendered without the return  
29          of premium for the bond if the defendant has been guilty of nonpayment of premium,  
30          changing address without notifying the bail bond agent, self-concealment, or leaving  
31          the jurisdiction of the court without the permission of the bail bond agent, or of violating

- 1           the defendant's contract with the bail bond agent in any way that does harm to the bail  
2           bond agent or the surety, or violates the obligation to the court.
- 3        2. For the purpose of surrendering the defendant, the surety or licensed bail bond agent  
4        acting as an agent for the surety may arrest the defendant ~~before the forfeiture of the~~  
5        ~~undertaking~~, or by written authority endorsed on a certified copy of the undertaking,  
6        may empower any peace officer to make arrest, first paying the lawful fees therefor.
- 7        3. A person may not engage in the business of taking or attempting to take into custody a  
8        defendant on a bail bond, unless the person:
- 9           a. Is the surety that issued the bail bond; or  
10          b. Is a bail bond agent and is an appointed agent of the surety that issued the bail  
11          bond.
- 12        4. A first offense under this section is a class A misdemeanor. A second offense under  
13        this section is a class C felony.