

LFC Requester:	Jon Clark
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**AGENCY BILL ANALYSIS
2014 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

And

DFA@STATE.NM.US

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:

Original X **Amendment**
Correction **Substitute**

Date January 14, 2014
Bill No: HB50-305 Jan 15

Sponsor: Rep. James E. Smith **Reviewing** Attorney General's Office
Short Bail Bondsmen Qualifications **Person Writing** Rick Word, AAG
Title: and Licensure **Phone:** 827-6029 **Email** rword@nmag.gov

SECTION II: FISCAL IMPACT **FOR LFC OFFICIAL PURPOSES******
AGO STAFF SHOULD LEAVE SHADED AREAS BLANK

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY14	FY15		

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:

Duplicates/Relates to Appropriation in the General Appropriation Act

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY14	FY15	FY16		

(Parenthesis () Indicate Expenditure Decreases)

Duplicates, Relates to, Conflicts with, Companion to

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY14	FY15	FY16	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

SECTION III: NARRATIVE

This analysis is neither a formal Attorney General’s Opinion nor an Attorney General’s Advisory Opinion Letter. This is a staff analysis in response to the agency’s committee’s or legislator’s request.

BILL SUMMARY

Summary Synopsis: House Bill 50 (HB 50) appears identical to Representative Smith’s HB 312, as amended by the House Judiciary and Commerce and Industry Committees in the 2013 session. HB 50 would make numerous amendments to current statutes regulating the bail bond industry found at Chapter 59A, Article 51 NMSA 1978.

The Bill would name this article the “Bail Bondsmen Licensing Law” (BLL) and change existing references to the “insurance division” to the “office of the superintendent of insurance.” Significant changes under the Bill include the addition of requirements that bail bondsmen and solicitors have a high school degree or GED, that bail bondsmen register their solicitors with the insurance superintendent within seven (7) days of employment, and a bar to the licensure of persons with conditionally discharged felony convictions who were not licensed prior to January 1, 2015.

The Bill significantly changes educational requirements for licensure for both bail bondsmen and solicitors. First, the Bill seeks to strike separate educational requirements for solicitors found at NMSA 1978, Section 59A-51-4.1(C), as well as, repeals the provision allowing applicants for a bail bondsman license the alternative of meeting educational requirements through a six month apprenticeship. The Bill would repeal the requirement for thirty (30) or more hours of classroom training and replace them with “pre-licensing requirements prescribed by rule”, including an unspecified number of classroom hours to be approved by the Superintendent. The Bill would reduce the number of on-the-job training hours for applicants from 120 to thirty (30). While retaining the requirement for the annual completion of continuing education, the Bill would remove the specific requirement of fifteen (15) hours of such education, and strike the description in the current statute of what such education should cover. HB 50 amends NMSA 1978, Section 59A-51-4.1 to make it a violation of the BLL for a bondsman or solicitor to fail to register with the Superintendent.

HB 50 deletes a clause in the current NMSA 1978, Section 59A-51-5(A) and retains the requirement for passage of a qualifying examination to applicants for bail bondsmen licenses but not to solicitors.

The Bill amends NMSA 1978, Section 59A-51-8(B) to expressly require that a property bondsman’s surety bond or deposit be maintained until all of his or her court posted bonds are exonerated.

HB 50 would also amend NMSA 1978, Section 59A-51-16 to allow the Superintendent to impose maximum penalty of \$1000 for willful violations of the article, while repealing the current Section 18 of the Article, which sets a maximum penalty of \$1000 for any violation, willful or otherwise.

HB 50 would also create a new section providing for public hearings on premium rates that can be charged by bondsmen.

FISCAL IMPLICATIONS WITH ENACTING THIS BILL

None for this agency.

SIGNIFICANT LEGAL ISSUES

None noted.

PERFORMANCE IMPLICATIONS WITH ENACTING THIS BILL

N/A

ADMINISTRATIVE IMPLICATIONS WITH ENACTING THIS BILL

N/A

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP WITH BILLS INTRODUCED THIS SESSION

None noted.

TECHNICAL ISSUES OR DRAFTING ERROR

If it is the intent of HB 50 to require that an applicant for a *solicitor* license pass a qualifying examination, Section 2 of HB 50 should be amended to include an amendment to NMSA 1978, Section 59A-51-4 to specify that requirement.

OTHER SUBSTANTIVE LEGAL ISSUES

None noted.

ALTERNATIVES TO ENACTING THIS BILL

None noted.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status quo.

AMENDMENTS NEEDED TO IMPROVE THIS BILL

None noted.