

Department of Legislative Services
Maryland General Assembly
2024 Session

FISCAL AND POLICY NOTE
Third Reader

Senate Bill 687

(Senator Smith)(By Request - Maryland Judicial
Conference)

Judicial Proceedings

Judiciary

Criminal Procedure - Bail Bonds - Seventh Judicial Circuit

This bill repeals provisions relating to bail bonds in the Seventh Judicial Circuit. Specifically, the bill repeals § 5-203(b) of the Criminal Procedure Article governing bail bondspersons and related fees in the Seventh Judicial Circuit and repeals § 5-209(b) of the Criminal Procedure Article exempting the Seventh Judicial Circuit from certain requirements for property bondspersons.

Fiscal Summary

State Effect: The bill is not anticipated to materially affect State operations or finances, as discussed below.

Local Effect: The bill is not anticipated to materially affect local government operations or finances, as discussed below.

Small Business Effect: None.

Analysis

Bill Summary/Current Law: The Seventh Judicial Circuit is comprised of Calvert, Charles, Prince George's, and St. Mary's counties.

Under current law, except as otherwise specified, a circuit court may adopt rules setting the terms and conditions of bail bonds filed in that court and rules on the qualifications of and fees charged by bail bondsmen.

Under current law, in the circuit courts of the Seventh Judicial Circuit, an approved bail bondsman must pay a license fee of 1% of the gross value of all bail bonds written in all courts of the circuit, if the fee is approved by the court of the county in which it applies. The fee must be paid to the court as required by the rules of court and must be used to pay the expenses of administering bonds in accordance with statute, as specified. Any absolute bail bond forfeitures collected may be used to pay the expenses of carrying out specified related provisions. The bill repeals the provisions relating to bonds in the Seventh Circuit.

A “property bondsman” is a person other than a defendant who executes a bail bond secured by real estate in the State. Under current law, *except for in the Seventh Judicial Circuit*, a property bondsman may authorize an agent in writing to execute on behalf of the property bondsman a bail bond and a declaration of trust or deed of trust to secure a bail bond by real estate. If all other requirements of law are met, a person authorized by law to take a bail bond must take a bail bond secured by declaration of trust or deed of trust on real estate properly executed by an authorized agent of a property bondsman. A person who acts as a property bondsman for compensation must provide to the court documentation of ownership, tax status, and liens against the property posted. It is a misdemeanor punishable by imprisonment for up to one year and/or a \$1,000 maximum fine for such a person to willfully provide false documentation. The bill repeals the exception for the Seventh Judicial Circuit under these provisions.

State and Local Fiscal Effect: The Judiciary advises that it does not anticipate a fiscal or operational impact as these revisions are conforming changes that bring consistency between the Criminal Procedure Article and the Maryland Rules governing bail and property bondspersons.

According to the Judiciary, the Seventh Judicial Circuit rescinded its separate bail bonds system in 2022. The bill clarifies the existing process and updates statute to reflect that the Seventh Judicial Circuit no longer has a separate bail bonds system and follows the bail bonds statutes applicable to the rest of the State. Pursuant to a judicial administrative order, as of July 1, 2022, (1) the local bail bonds rules were rescinded; (2) Seventh Judicial Circuit licensure was no longer required; (3) all bondspersons writing on insurance in the Seventh Judicial Circuit are required to hold Maryland State licensure and be subject to all State laws and regulations; and (4) the Seventh Judicial Circuit no longer collects the 1% license fees for bonds written in the circuit.

Charles County advises that the bill eliminates approximately \$8,500 in annual fee revenues to the county’s circuit court. However, given that the bill reflects changes to procedures in the Seventh Judicial Circuit that have been in place since 2022, the Department of Legislative Services advises that the bill is unlikely to materially affect local finances.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Charles, Prince George's, and St. Mary's counties; Judiciary (Administrative Office of the Courts); Maryland Insurance Administration; Department of Legislative Services

Fiscal Note History: First Reader - February 20, 2024
km/jkb Third Reader - March 19, 2024

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