

SECTION 11. (a) The change in law made by this Act relating to the eligibility of a person to receive a TEXAS grant applies beginning with students who demonstrate eligibility to receive a grant for the 2001-2002 academic year.

(b) The Texas Higher Education Coordinating Board shall implement the changes made by this Act to the Teach for Texas grant program and to the classroom teacher loan repayment assistance program under Subchapter M, Chapter 61, Education Code, as soon as practicable after the effective date of this Act, but not later than the 2002-2003 academic year.

(c) The Texas Higher Education Coordinating Board shall adopt initial rules for awarding grants and shall award grants under the Teach for Texas alternative certification assistance program established under Section 56.357, Education Code, as added by this Act, as soon as practicable.

SECTION 12. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2001.

Passed the Senate on April 11, 2001: Yeas 29, Nays 0, one present not voting; the Senate concurred in House amendment on May 17, 2001: Yeas 30, Nays 0, one present not voting; May 22, 2001, the Senate adopted S.C.R. No. 69, requesting the return of S.B. No. 1057 to the Senate for further consideration; May 25, 2001, the Senate refused to concur in House amendment and requested appointment of Conference Committee; May 25, 2001, House granted request of the Senate; May 27, 2001, Senate adopted Conference Committee Report by the following vote: Yeas 30, Nays 0, one present not voting; passed the House with amendment on May 8, 2001: Yeas 147, Nays 0, two present not voting; May 23, 2001, the House adopted S.C.R. No. 69, requesting the return of S.B. No. 1057 to the Senate for further consideration; May 25, 2001, House granted request of the Senate for appointment of Conference Committee; May 26, 2001, House adopted Conference Committee Report by the following vote: Yeas 124, Nays 21, one present not voting.

Approved June 15, 2001.

Effective June 15, 2001.

---

## CHAPTER 1262

S.B. No. 1119

### AN ACT

relating to the regulation of bail bond sureties; providing a penalty.

*Be it enacted by the Legislature of the State of Texas:*

SECTION 1. Subdivision (2), Section 1704.001, Occupations Code, is amended to read as follows:

(2) "Bail bond surety" means a person who:

(A) executes a bail bond as a surety or cosurety for another person; or

(B) for compensation *deposits cash to ensure the appearance in court of a person accused of a crime.*

SECTION 2. Subchapter C, Chapter 1704, Occupations Code, is amended by adding Section 1704.109 to read as follows:

*Sec. 1704.109. SOLICITATION AND ADVERTISEMENT. A board by rule may regulate solicitations or advertisements by or on behalf of license holders to protect the public from harassment, fraud, or misrepresentation.*

SECTION 3. Section 1704.152, Occupations Code, is amended by amending Subsection (a) and adding Subsection (c) to read as follows:

(a) To be eligible for a license under this chapter, an individual, *including an agent designated by a corporation in an application*, must:

- (1) be a resident of this state and a citizen of the United States;
- (2) be at least 18 years of age; ~~and~~

(3) possess the financial resources required to comply with Section 1704.160, *unless the individual is acting only as agent for a corporation holding a license under this chapter; and*

(4) *have, in the two years preceding the date a license application is filed:*

- (A) *at least one year of continuous work experience in the bail bond business; and*
- (B) *completed at least eight hours of continuing legal education in criminal law courses or bail bond law courses that are approved by the State Bar of Texas and that are offered by an institution of higher education accredited by the state.*

(c) *Subsection (a)(4) does not apply to the issuance of an original license:*

(1) *in a county before the first anniversary of the date a board is created in the county;*

or

(2) *to an individual who applies to operate the bail bond business of a license holder who has died if the individual is related to the decedent within the first degree by consanguinity or is the decedent's surviving spouse.*

SECTION 4. Section 1704.154, Occupations Code, is amended by amending Subsections (b) and (c) and adding Subsections (d) and (e) to read as follows:

(b) The application must:

- (1) be in a form and contain the information prescribed by the board;
- (2) state:

(A) the applicant's name, age, and address;

(B) if the applicant is a corporation, whether the applicant is:

(i) chartered or admitted to do business in this state; and

(ii) qualified to write fidelity, guaranty, and surety bonds under the Insurance Code;

(C) the name under which the *bail bond* business will be conducted, *including a bail bond business that is a corporation*; ~~and~~

(D) each place, including the street address and municipality, at which the business will be conducted; *and*

(E) *the amount of cash or the cash value of a certificate of deposit or cashier's check that the applicant intends to deposit with the county treasurer if the applicant's application is approved or, if the applicant is an individual intending to execute nonexempt real property in trust to the board, the value of the real property;*

(3) if the applicant is an individual, be accompanied by:

~~[(A)] a list, as required by Section 1704.155, of nonexempt real property owned by the applicant that the applicant intends to execute in trust to the board if the applicant's application is approved; and~~

~~[(B)] a statement showing the amount of cash or cash equivalent, or the cash value of a certificate of deposit or cashier's check, that the applicant intends to deposit with the county treasurer if the applicant's application is approved; and]~~

(4) be accompanied by:

(A) the applicant's complete, sworn financial statement;

(B) the applicant's declaration that the applicant will comply with this chapter and the rules adopted by the board;

(C) three letters of recommendation, each from a person who:

(i) is reputable; and

(ii) has known the applicant or, if the applicant is a corporation, the *agent designated by the corporation in the application* [~~person who will be in charge of the applicant's business in the county~~] for at least three years;

(D) a \$500 filing fee;

(E) a photograph of the applicant or, if the applicant is a corporation, of the *agent designated by the corporation in the application* [~~person who will be in charge of the applicant's business in the county~~];

(F) a set of fingerprints of the applicant[~~s~~], or, if the applicant is a corporation, of the *agent designated by the corporation in the application* [~~person who will be in charge of the applicant's business in the county~~] taken by a law enforcement officer designated by the board; [~~and~~]

(G) if the applicant [~~or, if the applicant is a corporation, the person who will be in charge of the applicant's business in the county~~] is *or has been* licensed under this chapter in another county:

(i) a list of each county in which the applicant holds a license; and

(ii) a statement by the applicant that, as of the date of the application, the applicant has no unpaid final judgments of forfeiture against the applicant in any county in which the applicant holds or has held a license; and

(H) if the applicant is a corporation, a statement by the designated agent of any unpaid final judgments of forfeiture on any bond executed by the agent [~~a letter from the board of that county stating whether the applicant is in good standing in the county in which the person is licensed~~].

(c) A letter of recommendation submitted under Subsection (b)(4)(C) must:

(1) state that the applicant or, if the applicant is a corporation, the *agent designated by the corporation in the application* [~~person who will be in charge of the applicant's business in the county~~] has a reputation for honesty, truthfulness, fair dealing, and competency; and

(2) recommend that the board issue the license.

(d) *The existence of an unpaid final judgment disclosed under Subsection (b)(4)(H) may not bar licensure but may be considered by the board in determining whether to grant a license to the corporation with that agent.*

(e) *A corporation must file a separate corporate application for each agent the corporation designates in the county.*

SECTION 5. Section 1704.155, Occupations Code, is amended to read as follows:

Sec. 1704.155. REAL PROPERTY LIST. A list of nonexempt real property required under Section 1704.154(b)(3) [~~1704.154(b)(3)(A)~~] must, for each parcel listed, include:

(1) a legal description of the property that would be sufficient to convey the property by general warranty deed;

(2) a current statement from each taxing unit authorized to impose taxes on the property showing:

(A) that there is no outstanding tax lien against the property; and

(B) the net value of the property according to a current appraisal made by a real estate appraiser who is a member in good standing of a nationally recognized professional appraiser society or trade organization that has an established code of ethics, educational program, and professional certification program;

(3) a statement by the applicant that, while the property remains in trust, the applicant:

(A) agrees to pay the taxes on the property;

(B) will not further encumber the property unless the applicant notifies the board of the applicant's intent to encumber the property and the board permits the encumbrance; and

(C) agrees to maintain insurance on any improvements on the property against damage or destruction in the full amount of the value claimed for the improvements;

(4) a statement of whether the applicant is married; and

(5) if the applicant is married, a sworn statement from the applicant's spouse agreeing to transfer to the board, as a part of the trust, any right, title, or interest that the spouse may have in the property.

SECTION 6. Subsections (a), (b), and (c), Section 1704.160, Occupations Code, are amended to read as follows:

(a) On receipt of notice under Section 1704.159 that an application has been conditionally approved, the applicant, *not later than the 90th day after the date of receipt of the notice*, must:

(1) if the applicant is an individual:

(A) subject to Subsection (b), deposit with the county treasurer a cashier's check, certificate of deposit, or cash~~[-or cash equivalent]~~ in the amount stated on the application under Section *1704.154(b)(2)(E)* [~~1704.154(b)(3)(B)~~]; or

(B) subject to Subsections (c)-(e), execute in trust to the board each deed to the property listed on the application under Section *1704.154(b)(3)* [~~1704.154(b)(3)(A)~~]; or

(2) if the applicant is a corporation, *subject to Subsection (b), deposit with the county treasurer a cashier's check, certificate of deposit, or cash in the amount stated on the application under Section 1704.154(b)(2)(E)* [~~provide to the sheriff an irrevocable letter of credit as a cash equivalent to pay any final judgment of a forfeiture on a bail bond executed by the applicant~~].

(b) A deposit made under Subsection (a)(1)(A) or (a)(2) may not be less than \$50,000~~[-except that the deposit may not be less than \$10,000 in a county with a population of less than 250,000]~~. A deposit made to a county with a population of less than 250,000 shall be placed in a fund known as a bail security fund.

(c) The total value of the property executed in trust under Subsection (a)(1)(B) may not be less than \$50,000~~[-except that the value may not be less than \$10,000 in a county with a population of less than 250,000]~~.

SECTION 7. Section 1704.163, Occupations Code, is amended to read as follows:

Sec. 1704.163. ATTORNEY EXEMPTION. (a) Except as provided by *this section* [~~Subsection (c)~~], a person not licensed under this chapter may execute a bail bond or act as a surety for another person *in any county in this state* if the person:

(1) is licensed to practice law in this state; and

(2) represents the other person in *the [a] criminal case for which the bond was given*.

(b) A person executing a bail bond or acting as a surety under this section may not engage in conduct involved with that practice that would subject a bail bond surety to license *suspension* or revocation. If the *board* [~~sheriff~~] determines that a person has violated this subsection, the person may not execute a bail bond or act as a surety under this section until the person has remedied the violation.

(c) A person executing a bail bond or acting as a surety under this section who has been paid a fee for executing the bond or acting as the surety is not relieved of liability on the bond solely because the person has not been employed to represent the principal on the merits of the criminal case.

SECTION 8. Subsection (b), Section 1704.207, Occupations Code, is amended to read as follows:

(b) If a principal is surrendered under Subsection (a) and the principal~~[-an agent of the board of the county in which the bond was executed,]~~ or an attorney representing the state or an accused in the case determines that a reason for the surrender was without reasonable cause, the person may contest the surrender in the court that authorized the surrender.

SECTION 9. Section 1704.211, Occupations Code, is amended by amending Subsection (b) and adding Subsection (d) to read as follows:

(b) An agent designated by a power of attorney under Subsection (a) *for a corporation holding a license under this chapter must be designated by the corporation in the corporation's application for a license* ~~[holder under this chapter]~~.

(d) *A corporation may limit the authority of an agent designated under Subsection (a) by specifying the limitation in the power of attorney that is filed with the county clerk and the board.*

SECTION 10. Subsection (c), Section 1704.212, Occupations Code, is amended to read as follows:

(c) For purposes of this section:

(1) a corporation is considered in default on a bail bond beginning on *the 11th day after* the date the trial court enters a final judgment on the scire facias and ending on the date the judgment is satisfied, ~~[ø]~~ set aside, *or superseded*; and

(2) a corporation is not considered in default on a bail bond if, pending appeal, the corporation deposits cash *or a supersedeas bond* in the amount of the final judgment with the court in which the bond is executed.

SECTION 11. Subchapter E, Chapter 1704, Occupations Code, is amended by adding Section 1704.213 to read as follows:

*Sec. 1704.213. OFFICE LOCATION. (a) A license holder shall maintain an office in the county in which the license holder holds a license.*

*(b) Not later than the seventh day after the date a license holder opens a new office or moves an office to a new location, the license holder shall notify the board of the location of the office.*

SECTION 12. The heading of Section 1704.302, Occupations Code, is amended to read as follows:

*Sec. 1704.302. PROHIBITED REFERRALS OF OR EMPLOYMENTS WITH BONDING BUSINESS; OFFENSE.*

SECTION 13. Section 1704.302, Occupations Code, is amended by adding Subsection (c) and by redesignating existing Subsection (c) as Subsection (d) to read as follows:

(c) *A person may not accept or receive from a license holder money, property, or any other thing of value as payment for employment with a bonding business if, within the preceding 10 years, the person has been convicted of a misdemeanor involving moral turpitude or of a felony.*

(d) A person commits an offense if the person violates this section. An offense under this section is a Class A misdemeanor.

SECTION 14. Subsections (b) and (c), Section 1704.303, Occupations Code, are amended to read as follows:

(b) A person may not advertise as a bail bond surety *in a county unless the person holds a license issued under this chapter by a bail bond board in that county. A person does not violate this subsection if the person places an advertisement that appears in more than one county and:*

*(1) the advertisement clearly indicates the county or counties in which the person holds a license issued under this chapter; and*

*(2) any local telephone number in the advertisement is a local number only for a county in which the person holds a license issued under this chapter.*

(c) A person commits an offense if the person violates this section. An offense under this section is a Class B ~~[C]~~ misdemeanor.

SECTION 15. Section 1704.304, Occupations Code, is amended by adding a new Subsection (d) and redesignating current Subsection (d) as Subsection (e) to read as follows:

(d) *A person may not place a device in a place of detention, confinement, or imprisonment that dispenses a bail bond in exchange for a fee.*

(e) A person commits an offense if the person violates this section. An offense under this section is a Class B misdemeanor.

SECTION 16. (a) Except as provided by Subsection (b) of this section, the changes in law made by this Act to the requirements for an original bail bond license or to renew a bail bond license apply only to an application for a bail bond license or to renew a bail bond license that is made on or after the effective date of this Act.

(b) The changes in law made by this Act to Section 1704.152, Occupations Code, relating to the renewal of a bail bond license by a person who holds a bail bond license immediately before the effective date of this Act apply only to a renewal that occurs on or after September 1, 2002.

SECTION 17. The change in law made by this Act to Subsection (c), Section 1704.302, Occupations Code, applies only to a person employed by a bonding business after the effective date of this Act.

SECTION 18. (a) The change in law made by this Act to Section 1704.303, Occupations Code, applies only to an offense committed on or after the effective date of this Act.

(b) For purposes of this section, an offense is committed before the effective date of this Act if any element of the offense occurs before that date. An offense committed before the effective date of this Act is covered by the law in effect on the date the offense is committed, and the former law is continued in effect for that purpose.

SECTION 19. This Act takes effect September 1, 2001.

Passed the Senate on April 26, 2001, by a viva-voce vote; May 17, 2001, Senate refused to concur in House amendments and requested appointment of Conference Committee; May 21, 2001, House granted request of the Senate; May 27, 2001, Senate adopted Conference Committee Report by a viva-voce vote; passed the House, with amendments, on May 11, 2001, by a non-record vote; May 21, 2001, House granted request of the Senate for appointment of Conference Committee; May 26, 2001, House adopted Conference Committee Report by a non-record vote.

Approved June 15, 2001.

Effective September 1, 2001.

---

## CHAPTER 1263

S.B. No. 1125

AN ACT

relating to technical changes to taxes and fees administered by the comptroller of public accounts.

*Be it enacted by the Legislature of the State of Texas:*

SECTION 1. Subsection (k), Section 43.0751, Local Government Code, is amended to read as follows:

(k) A municipality that has annexed all or part of a district for limited purposes under this section may impose a [~~retail~~] sales *and use* tax within the boundaries of the part of the district that is annexed for limited purposes. *Except to the extent it is inconsistent with this section, Chapter 321, Tax Code, governs the imposition, computation, administration, governance, and abolition of the sales and use tax.*