



Legislation Text

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Int. No. 1679

By Council Members Lancman and Gentile

A Local Law to amend the administrative code of the city of New York, in relation to fees charged by bail bondsmen

Be it enacted by the Council as follows:

Section 1. Chapter 5 of Title 20 of the administrative code of the city of New York is amended by adding a new subchapter 19 to read as follows:

Subchapter 19
Bail Bonds Businesses

§ 20-824 Definitions. For the purposes of this subchapter, the following terms have the following meanings:

Bail bond business. The term “bail bond business” means any bail or insurance business, as defined in section 6801 of the New York insurance law.

Bailee. The term “bailee” means any person present in any courtroom having criminal jurisdiction or a party to any criminal action or proceeding, who requests a bail bond business to deposit money or property as bail or for whom such request is made.

Premiums. The term “premium” means the rate a bail bond business charges for giving bail bond or depositing money or property as bail, as described in section 6804 of the New York insurance law.

§ 20-825 Disclosure related to premium limits for bail bond services. Any bail bond business shall post in a conspicuous manner, at the location where its principal business transactions are executed, in a size and style to be determined by the commissioner, a sign stating the following:

“The premium charged for giving bail bond or depositing money or property as bail may not exceed the

following amounts, under state law:

10% if such bond or deposit is \$3,000 or less; and

8% for any portion of the bond or deposit between \$3,000.01 and \$10,000; and

6% for any portion of the bond or deposit above \$10,000.

If the bond or deposit is less than \$200, a minimum of \$10 may be charged.”

§ 20-826 Complaints. The department shall create a mechanism whereby any person using bail bond services can alert the department when bail bond businesses charge more than the maximum limit for premiums permitted under the New York insurance law.

§ 20-827 Enforcement. a. The department shall refer any alleged violations of state insurance law section 6804 to the New York police department for investigation.

b. Any person who violates section 20-825 of this subchapter or any of the regulations promulgated thereunder is liable for a civil penalty not to exceed \$250 for each violation.

§ 20-828 Rules and regulations. The department is authorized to promulgate such rules and regulations as it deems necessary to implement and enforce the provisions of this subchapter.

§ 2. This local law takes effect 120 days after it becomes law.

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