

**Superseded 5/10/2016**

**31A-35-404 Minimum financial requirements for bail bond surety company license.**

- (1)
  - (a) A bail bond surety company that pledges the assets of a letter of credit from a Utah depository institution in connection with a judicial proceeding shall maintain an irrevocable letter of credit with a minimum face value of \$300,000 assigned to the state from a Utah depository institution.
  - (b) Notwithstanding Subsection (1)(a), a bail bond surety company described in Subsection (1) (a) that is licensed under this chapter as of December 31, 1999, shall maintain an irrevocable letter of credit with a minimum face value of \$250,000 assigned to the state from a Utah depository institution.
- (2)
  - (a) A bail bond surety company that pledges personal or real property, or both, as security for a bail bond in connection with a judicial proceeding shall maintain:
    - (i)
      - (A) a current financial statement:
        - (I) reviewed by a certified public accountant; and
        - (II) showing a net worth of at least \$300,000, at least \$100,000 of which is in liquid assets;or
      - (B) notwithstanding Subsection (2)(a)(i), if the bail bond surety company is licensed under this chapter as of December 31, 1999, a current financial statement:
        - (I) reviewed by a certified public accountant; and
        - (II) showing a net worth of at least \$250,000, at least \$50,000 of which is in liquid assets;
    - (ii) a copy of the applicant's federal income tax return for the preceding two years; and
    - (iii) for each parcel of real property owned by the applicant and included in net worth calculations:
      - (A) a title letter; and
      - (B) an appraisal dated not more than two years prior to the date of application.
  - (b) For purposes of this Subsection (2), only real or personal property located in Utah may be included in the net worth of the bail bond surety company.
- (3) A bail bond surety company shall maintain a qualifying power of attorney issued by a surety insurer:
  - (a) if the bail bond surety company is the agent of the surety insurer; and
  - (b) the surety insurer:
    - (i) issues bail bonds;
    - (ii) is in good standing in its state of domicile; and
    - (iii) is granted a certificate to write bail bonds in Utah.
- (4) The commissioner may revoke the license of a bail bond surety company that fails to maintain the minimum financial requirements required under this section.
- (5) The commissioner may set by rule the limits on the aggregate amounts of bail bonds issued by a bail bond surety company.