

§ 58-71-80. Grounds for denial, suspension, probation, revocation, or nonrenewal of licenses.

(a) The Commissioner may deny, place on probation, suspend, revoke, or refuse to renew any license issued under this Article, in accordance with the provisions of Article 3A of Chapter 150B of the General Statutes, for any one or more of the following causes:

- (1) For any cause sufficient to deny, suspend, or revoke the license under any other provision of this Article.
- (2) A conviction of any misdemeanor committed in the course of dealings under the license issued by the Commissioner.
- (3) Material misstatement, misrepresentation or fraud in obtaining the license.
- (4) Misappropriation, conversion or unlawful withholding of moneys belonging to insurers or others and received in the conduct of business under the license.
- (5) Fraudulent, coercive, or dishonest practices in the conduct of business or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this State or any other jurisdiction.
- (6) Conviction of a crime involving dishonesty, breach of trust, or moral turpitude.
- (7) Failure to comply with or violation of the provisions of this Article or of any order, subpoena, rule or regulation of the Commissioner or person with similar regulatory authority in another jurisdiction.
- (8) When in the judgment of the Commissioner, the licensee has in the conduct of the licensee's affairs under the license, demonstrated incompetency, financial irresponsibility, or untrustworthiness; or that the licensee is no longer in good faith carrying on the bail bond business; or that the licensee is guilty of rebating, or offering to rebate, or offering to divide the premiums received for the bond.
- (9) For failing to pay any judgment or decree rendered on any forfeited undertaking in any court of competent jurisdiction.
- (10) For charging or receiving, as premium or compensation for the making of any deposit or bail bond, any sum in excess of that permitted by this Article.
- (11) For requiring, as a condition of executing a bail bond, that the principal agree to engage the services of a specified attorney.
- (12) For cheating on an examination for a license under this Article.
- (13) For entering into any business association or agreement with any person who is at that time found by the Commissioner to be in violation of any of the bail bond laws of this State, or who has been in any manner disqualified under the bail bond laws of this State or any other state, whereby the person has any direct or indirect financial interest in the bail bond business of the licensee or applicant.
- (14) For knowingly aiding or abetting others to evade or violate the provisions of this Article.
- (14a) Having any professional license denied, suspended, or revoked in this State or any other jurisdiction for causes substantially similar to those listed in this subsection.
- (14b) Violation of (i) any law governing bail bonding or insurance in this State or any other jurisdiction or (ii) any rule of the Financial Industry Regulatory Authority (FINRA).

- (14c) Failure to comply with an administrative order or court order imposing a child support obligation after entry of a final judgment or order finding the violation to have been willful.
- (14d) Failure to pay State or federal income tax or any liens that result from such failure to comply with any administrative or court order directing payment of State or federal income tax after entry of a final judgment or order.
- (14e) Forging another's name to any document related to a bail bond transaction.
- (15) Any cause for which issuance of the license could have been refused had it then existed and been known to the Commissioner at the time of issuance.

(b) The Commissioner shall deny, revoke, or refuse to renew any license under this Article if the applicant or licensee is or has ever been convicted of a felony.

(b1) The Commissioner shall revoke or refuse to renew any license under this Article if the licensee has been convicted on or after October 1, 2009, of a misdemeanor drug violation under Article 5 of Chapter 90 of the General Statutes.

(b2) The Commissioner shall deny any license under this Article if the applicant has been convicted of a misdemeanor drug violation under Article 5 of Chapter 90 of the General Statutes within the previous 24 months of the date of the application for the license.

(c) In the case of a first-year licensee whose employment or contract is terminated prior to the end of the 12-month supervisory period, the Commissioner may consider all information provided in writing by the supervising bail bondsman in determining whether sufficient cause exists to suspend, revoke, or refuse to renew the license or to warrant criminal prosecution of the first-year licensee. If the Commissioner determines there is not sufficient cause for adverse administrative action or criminal prosecution, the termination shall not be deemed an interruption and the period of time the licensee was employed by or contracted with the terminating supervising bail bondsman will be credited toward the licensee's completion of the required 12 months of supervision with a subsequent supervising bail bondsman.

(d) The Commissioner shall retain the authority to enforce the provisions of, and impose any penalty or remedy authorized by, this Chapter against any person who is under investigation for or charged with a violation of this Chapter even if the person's license or registration has been surrendered or has lapsed.

(e) Notwithstanding the notice and hearing requirements of subsection (a) of this section or G.S. 58-71-85, and in addition to the authority granted to the Commissioner under G.S. 150B-3, the Commissioner may order summary suspension of a license upon a written finding of good cause to believe that emergency action is required to protect the public health, safety, or welfare or to avoid a significant risk of unsatisfied bond forfeitures. The order shall be effective on the date specified in the order or upon service of the certified copy of the order at the last known address of the licensee, whichever is later, and shall remain effective during the proceedings to suspend, revoke, or refuse renewal provided for in this section. Those proceedings shall be promptly commenced and determined. (1963, c. 1225, s. 17; 1975, c. 619, s. 1; 1989, c. 485, s. 40; 1991, c. 644, s. 17; 1993, c. 409, s. 16; 1998-211, s. 24; 2000-180, s. 4; 2009-536, s. 5; 2011-377, s. 2; 2016-107, s. 3.)