



STATE OF ARIZONA

JANICE K. BREWER
GOVERNOR

June 19, 2013

EXECUTIVE OFFICE

The Honorable Ken Bennett
Secretary of State
Capital Executive Tower, 7th Floor
1700 West Washington
Phoenix, Arizona 85007

Re: House Bill 2553 (bail bond agents; bonds; prohibitions)

Dear Secretary Bennett,

Today, I vetoed House Bill 2553. The bill makes numerous changes to statutes related to bail bond agents. Current law provides bail bond agents the ability to be reimbursed for actual and reasonable expenses incurred in connection with an individual bail transaction. This bill creates an exception for recovery expenses by allowing the expenses to be dictated by a bail bond agent's contract with the consumer. Because a consumer's collateral is contractually bound to the expenses charged, we should not create statutory mechanisms that go beyond actual and reasonable expenses.

Further, the bill reduces a bail bond agent's record retention schedule from 3 years to 1 year. This creates a disparity between bail bond agents and other insurance licensees and potentially hinders the Department of Insurance's ability to conduct investigations and examinations of bail bond agents.

Finally, the bill shifts the costs of examining a bail bond agent from the agent to the Department of Insurance. This creates an inconsistency between bail bonds agents and other insurance licensees who are required to pay the cost of examinations.

These concerns are the primary reasons I have vetoed House Bill 2553.

Sincerely,

A handwritten signature in cursive script that reads "Janice K. Brewer".

Janice K. Brewer
Governor

cc: The Honorable Andy Tobin
The Honorable Andy Biggs
The Honorable David Gowan