

Strategic Partnerships

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Paying bond forfeitures are a dissatisfying but integral part of writing bail bonds. As much as it pains you to pay a forfeiture, have you given any thought to where your money is going? Do you even care? If you don't, you should. Where bond forfeiture revenue goes can have a significant impact on the health of the commercial bail industry in your state and the nation.

Many courts have begun accepting 10% of the bond in cash in lieu of a surety bond. Upon a guilty plea or conviction the court will apply these funds towards fines and costs related to the case. In most cases, the courts initiative is less about hurting the bondsmen than it is about generating instant revenue to pay their bills. Regardless, justice is taking a back seat, but lets stay on topic. It is incumbent upon the bail industry to try to find a solution to the courts' need for revenue which will in turn generate more business for the bail agent, eliminate the cost to the tax payer and ensure defendants will appear in court when required.

One way to do this is to develop strategic partnerships with the courts, counties and/or state agencies, albeit indirectly. A number of agents already enjoy strategic partnerships with their state and/or courts and may not even be aware this valuable relationship exists or how it has impacted bail in their state.

South Carolina, for instance, takes 25% of all forfeiture revenue and routes it to the county solicitor's office, 25% to the county general fund and 50% to the state general fund. The Florence County Solicitor spoke recently at a South Carolina Bail Agents Association monthly meeting. He stated because of his county's small tax base, the annual budget for his office is funded entirely through revenue generated from bail bond forfeitures paid in his county. "Without bail bonds they would be out of business." Talk about a strategic partner. Bail keeps them in business and they do nothing to put us out of business. It's a win/win situation.

On the surface it appears the county is taking advantage of the bail agents misfortune but in reality forfeitures and subsequently losses are part of the commercial bail industry. If bail agents are properly securing their bonds then they have a remedy for recouping their losses.

Indiana forfeiture revenues are divided by the Common School Fund, Sheriff's County Extradition Fund and the Police Pension and Retirement Fund. If you have reason to believe the recipients of your states' bond forfeiture revenues are not working to protect the bail industry, they should be reminded of how much they really depend on the commercial bail industry. If they still show no interest, work to have these revenues routed to a group or agency that can become a valuable strategic partner for the bail industry in your state.

In this day and age deficits and budget cuts all government agencies are looking for ways to generate revenue. As an industry we need to get the courts what they need while protecting and preserving the integrity of the commercial bail industry.