

8-15-69

Bond Issuance Halted--Claim Je

Maryland National Makes Statement to Court

An attorney for Maryland National Insurance Co. told the 10 Criminal District Court judges sitting en banc Thursday that the company has stopped writing appearance bonds in city and state courts in New Orleans.

Attorney Ralph Haskell Jr. made the announcement during a hearing which was to have entertained arguments designed to

prove that Maryland National has assets sufficient to meet \$1 million in bail bond forfeiture liabilities.

However, Kaskell asked for a continuance and it was granted by the judges.

Senior Judge Bernard J. Bagert said that an Aug. 5 order by the judges prohibiting the acceptance of the company's bonds in Criminal Court will remain in effect.

Kaskell on Aug. 6 filed a motion asking the judges to vacate their order and a hearing

on the matter was set for Thursday.

6 TON OF EVIDENCE

Kaskell began his address to the judges by telling them that he had "a ton of evidence" to show that the company can meet its forfeiture liabilities.

However, rather than present it Thursday, Kaskell said, it would be better to wait until a federal court indicates its position as to jurisdiction in the matter.

Kaskell said he is attacking the constitutionality of the entire bail bonding system in Federal District Court.

But the federal court, Kaskell said, "has indicated that it wants all these issues, if possible, resolved in state court."

District Attorney Jim Garrison has been stayed from moving against funds of Maryland National, which owes an estimated \$720,000 in bond forfeitures, while the federal court studies the issue.

JUDGES OPINIONS

A number of judges expressed the opinion that federal court has no jurisdiction over the bail bonding issue.

"This (criminal court) is the court of jurisdiction for bail bonds," asserted Judge Matthew S. Braniff.

Another, Judge Rudolph F. Becker Jr., said he saw no reason for a continuance.

"I don't see any sense in waiting on the federal court. They have no jurisdiction," Judge Becker said.

Kaskell pledged that Maryland National will write no more bonds in New Orleans while the issue is being resolved.

Several judges reminded him that Maryland National's bonds are banned in Criminal Court whether or not the company voluntarily agrees to stop writing them.

Two Juvenile Court judges have also refused to accept Maryland National bonds.

The matter was continued indefinitely.

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