



General Assembly

Substitute Bill No. 6354

January Session, 2009

* HB06354INS 031309 *

AN ACT REGULATING SURETY BAIL BOND AGENTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 38a-660 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2009*):

3 (a) As used in this section and sections 3 to 14, inclusive, of this act:

4 (1) "Commissioner" means the Insurance Commissioner;

5 (2) "Disqualifying offense" means: (A) A felony; (B) a misdemeanor
6 if an element of the offense involves dishonesty or misappropriation of
7 money or property; or (C) a misdemeanor under section 21a-279, 53a-
8 58, 53a-61, 53a-61a, 53a-62, 53a-63, 53a-96, 53a-173, 53a-175, 53a-176,
9 53a-178 or 53a-181d;

10 [(2)] (3) "Insurer" means any domestic, foreign or alien insurance
11 company which has qualified generally to transact surety business in
12 this state under the requirements of chapter 698 and specifically to
13 transact bail bond business in this state;

14 [(3)] (3) "Surety bail bond agent" means any person who has been
15 approved by the commissioner and appointed by an insurer by power
16 of attorney to execute or countersign bail bonds for the insurer in
17 connection with judicial proceedings;]

18 (4) "License" means a surety bail bond agent license issued by the
19 commissioner to a qualified individual as provided in this section;

20 (5) "Managing general agent" means any person appointed or
21 employed by an insurer to supervise or otherwise manage the bail
22 bond business written in this state by surety bail bond agents
23 appointed by such insurer;

24 [(5)] (6) "Solicit" includes any written or printed presentation or
25 advertising made by mail or other publication, or any oral presentation
26 or advertising in person or by means of telephone, radio or television
27 which implies that an individual is licensed under this section, and any
28 activity in arranging for bail which results in compensation to the
29 individual conducting that activity;

30 [(6)] "Disqualifying offense" means: (A) A felony; or (B) a
31 misdemeanor if an element of the offense involves dishonesty or
32 misappropriation of money or property.]

33 (7) "Surety bail bond agent" means any person who has been
34 approved by the commissioner and appointed by an insurer by power
35 of attorney to execute or countersign bail bonds for the insurer in
36 connection with judicial proceedings.

37 (b) An insurer shall not execute an undertaking of bail in this state
38 except by and through a person holding a license issued as provided in
39 this section.

40 (c) A person shall not in this state solicit or negotiate in respect to
41 execution or delivery of an undertaking of bail or bail bond on behalf
42 of an insurer, or execute or deliver such an undertaking of bail or bail
43 bond on behalf of an insurer unless licensed as provided in this
44 section. Any person who violates the provisions of this subsection shall
45 be guilty of a class D felony.

46 (d) Only natural persons who are licensed under this section may
47 execute bail bonds. A firm, partnership, association or corporation,

48 desiring to execute an undertaking of bail in this state must do so by
49 and through a person holding a license issued as provided in this
50 section.

51 (e) Any person desiring to act within this state as a surety bail bond
52 agent shall make a written application to the commissioner for a
53 license in such form and having such supporting documents as the
54 commissioner prescribes. Each application shall be signed by the
55 applicant and shall be accompanied by a nonrefundable filing fee as
56 determined by the commissioner. The applicant must also submit with
57 the application a complete set of the applicant's fingerprints, certified
58 by an authorized law enforcement officer, and two recent credential-
59 sized full-face photographs of the applicant. At the time of application,
60 each applicant for a license shall forward a copy of the applicant's
61 complete application and supporting documents to the bond forfeiture
62 unit of the Office of the Chief State's Attorney.

63 (f) (1) Every applicant for a license must file with the commissioner
64 a notice of appointment executed by an insurer or its authorized
65 representative authorizing such applicant to execute undertakings of
66 bail and to solicit and negotiate such undertakings on its behalf.

67 (2) By appointing a surety bail bond agent, an insurer certifies to the
68 commissioner that, to the best of the insurer's knowledge and belief,
69 such person is competent, financially responsible and suitable to serve
70 as a representative of the insurer. Until an insurer has appointed a
71 person as its surety bail bond agent in accordance with this section,
72 such person shall not represent to the public that such person has
73 authority to represent such insurer as its surety bail bond agent. An
74 insurer shall be bound by the acts of such person appointed within the
75 scope of such person's actual or apparent authority as such insurer's
76 agent.

77 (3) (A) Each appointment shall, by its terms, continue in force until:
78 [(1)] (i) Termination of the surety bail bond agent's license; or [(2)] (ii)
79 the filing of a notice of termination by the insurer or its representative

80 or by such surety bail bond agent.

81 (B) Upon the termination of a surety bail bond agent's appointment,
82 such agent shall not engage or attempt to engage in any activity
83 requiring such an appointment. An insurer that terminates the
84 appointment of a surety bail bond agent may authorize such agent to
85 continue to attempt to take custody of a defendant for whom a bail
86 bond had been written prior to the termination of such agent's
87 appointment and to seek discharge of forfeitures and judgments.

88 (C) Not later than five days after receiving notice or learning that a
89 surety bail bond agent has been arrested for, pleaded guilty or nolo
90 contendere to, or been found guilty of, a disqualifying offense in this
91 state or an offense in any other state, the essential elements of which
92 are substantially the same as a disqualifying offense, whether
93 judgment was entered or withheld by a court, an insurer, managing
94 general agent or surety bail bond agent shall notify the commissioner
95 in writing.

96 (g) An applicant for a license shall be required to appear in person
97 and take a written examination testing the applicant's competency and
98 qualifications to act as a surety bail bond agent. The commissioner
99 may designate an independent testing service to prepare and
100 administer such examination, provided any examination fees charged
101 by such service shall be paid by the applicant. The commissioner shall
102 collect the appropriate examination fee, which shall entitle the
103 applicant to take the examination for the license, except when a testing
104 service is used, the testing service shall pay such fee to the
105 commissioner. In either case, such examination shall be as the
106 commissioner prescribes and shall be of sufficient scope to test the
107 applicant's knowledge of subjects pertinent to the duties and
108 responsibilities of a surety bail bond agent, including all laws and
109 regulations of this state applicable thereto.

110 (h) In addition to all other requirements prescribed in this section,
111 each applicant for a license shall furnish satisfactory evidence to the

112 commissioner that: (1) The applicant is at least eighteen years of age;
113 (2) the applicant is a citizen of the United States; and (3) the applicant
114 has never been convicted of a [felony or any misdemeanor under
115 section 21a-279, 53a-58, 53a-61, 53a-61a, 53a-62, 53a-63, 53a-96, 53a-173,
116 53a-175, 53a-176, 53a-178 or 53a-181d] disqualifying offense. The
117 commissioner shall require each applicant to submit to a background
118 investigation, including an investigation of any prior criminal activity,
119 to be conducted by the Division of Criminal Justice. The Division of
120 Criminal Justice shall require each applicant to submit to state and
121 national criminal history records checks. Such criminal history records
122 checks shall be conducted in accordance with section 29-17a.

123 (i) Upon satisfying himself that an applicant meets the licensing
124 requirements of this state and is in all respects properly qualified and
125 trustworthy and that the granting of such license is not against the
126 public interest, the commissioner may issue to such applicant the
127 license applied for, in such form as he may adopt, to act within this
128 state to the extent therein specified.

129 (j) The commissioner may adopt regulations, in accordance with the
130 provisions of chapter 54, relating to the approval of schools offering
131 courses in the duties and responsibilities of surety bail bond agents,
132 the content of such courses and the advertising to the public of the
133 services of these schools.

134 (k) To further the enforcement of this section and sections 3 to 12,
135 inclusive, of this act, and to determine the eligibility of any licensee,
136 the commissioner may, as often as [he] the commissioner deems
137 necessary, examine the books and records of any such licensee, the cost
138 of which shall be borne by the licensee.

139 (l) A license may, [in] at the discretion of the commissioner, be
140 renewed or continued upon payment of the appropriate fee [as the
141 commissioner deems necessary] without the resubmittal of the detailed
142 information required in the original application.

143 (m) The commissioner shall adopt regulations_z in accordance with
144 the provisions of chapter 54_z to implement subsections (a) to (l),
145 inclusive, of this section.

146 [(n) Any individual aggrieved by the action of the commissioner in
147 revoking, suspending or refusing to reissue a license or in imposing a
148 fine or penalty may appeal therefrom, in accordance with the
149 provisions of section 4-183, except venue for such appeal shall be in the
150 judicial district of Hartford. Appeals under this section shall be
151 privileged in respect to the order of trial assignment.]

152 (n) In addition to the notification requirements set forth in section
153 38a-771, each surety bail bond agent shall provide written notice to the
154 commissioner, the appointing insurer and the managing general agent
155 not later than thirty days after a change in such surety bail bond
156 agent's principal business address or telephone number.

157 (o) Nothing in this section shall be construed as limiting an
158 individual's ability to operate as a professional bondsman in this state
159 pursuant to chapter 533 provided such individual is in compliance
160 with all requirements of said chapter.

161 Sec. 2. Section 38a-660a of the general statutes is repealed and the
162 following is substituted in lieu thereof (*Effective October 1, 2009*):

163 The Insurance Commissioner shall furnish to all courts and to all
164 organized police departments in the state, the names of all persons
165 licensed as surety bail bond agents under this chapter and shall
166 forthwith notify such courts and all such police departments of any
167 change in any such agent's principal business address, telephone
168 number or status or of the suspension or revocation of the license of
169 any such agent to engage in such business.

170 Sec. 3. (NEW) (*Effective October 1, 2009*) (a) No surety bail bond
171 agent shall execute a bail bond without charging the premium rate
172 filed with and approved by the commissioner pursuant to chapter 701
173 of the general statutes.

174 (b) Not later than the tenth day of each month, each surety bail bond
175 agent shall certify to the commissioner under oath, on a form
176 prescribed by the commissioner, that the premium for each surety bail
177 bond executed by such agent did not exceed, nor was less than, the
178 premium rate as filed by the insurer with, and approved by, the
179 commissioner. The filing of a false certification by a surety bail bond
180 agent shall be grounds for administrative action in accordance with
181 section 38a-774 of the general statutes.

182 (c) Each insurer shall biannually conduct an audit, for the period
183 from January first to June thirtieth and from July first to December
184 thirty-first, of each of its appointed surety bail bond agents to ensure
185 such agents are charging the premium rate as required by subsection
186 (a) of this section. Not later than forty-five days after the closing period
187 of each audit, each insurer shall notify the commissioner of the failure
188 of any surety bail bond agent to charge the filed and approved
189 premium rate. Such notice shall include the name of the surety bail
190 bond agent, the case docket number if assigned, the total amount of the
191 surety bond, the date the surety bond was posted, the five-digit
192 identification code assigned to the insurer by the National Association
193 of Insurance Commissioners and the date the premium was due.

194 (d) Nothing in this section shall be construed to prohibit or limit a
195 premium financing arrangement that is in accordance with section 4 of
196 this act.

197 Sec. 4. (NEW) (*Effective October 1, 2009*) If a surety bail bond agent
198 extends credit for a premium financing arrangement, such agent shall
199 require the defendant and any indemnitor to execute a promissory
200 note for the balance of the premium due, at the filed and approved
201 premium rate required by section 3 of this act. Such promissory note
202 shall provide that such balance shall be paid not later than fifteen
203 months from the date of such execution. If such balance has not been
204 paid in full to the surety bail bond agent by the due date, such agent
205 shall file a verified complaint seeking appropriate relief with the court
206 not later than sixty days after such due date. The surety bail bond

207 agent shall make a diligent effort to obtain judgment not later than one
208 hundred twenty days after filing such complaint on such promissory
209 note unless good cause is shown for failure to obtain judgment,
210 including, but not limited to, the filing for bankruptcy by the
211 defendant or the indemnitor or failure to serve process despite good
212 faith efforts.

213 Sec. 5. (NEW) (*Effective October 1, 2009*) (a) All premiums, return
214 premiums or other funds belonging to insurers or others that are
215 received by a surety bail bond agent under such agent's license shall be
216 deemed trust funds received by such agent in a fiduciary capacity.
217 Such agent shall account for and pay the same to the insurer, insured
218 or other person entitled to such funds.

219 (b) A surety bail bond agent shall keep and make available to the
220 commissioner books, accounts and records as necessary to enable the
221 commissioner to determine whether such agent is complying with
222 applicable law. A surety bail bond agent shall preserve the books,
223 accounts and records pertaining to a premium payment for at least
224 three years after making such payment. Records that are preserved by
225 computer or photographic reproduction or records that are in
226 photographic form shall be deemed to be in compliance with this
227 subsection.

228 (c) Any surety bail bond agent who unlawfully diverts or
229 appropriates such funds specified in subsection (a) of this section or
230 any portion thereof for such agent's own use shall have committed
231 larceny, as defined in section 53a-119 of the general statutes.

232 Sec. 6. (NEW) (*Effective October 1, 2009*) Each surety bail bond agent
233 shall maintain all records of surety bail bonds executed or
234 countersigned by such agent for at least three years after the liability of
235 the surety has been terminated. Such records shall be open at all times
236 to examination, inspection and photographic reproduction by any
237 employee or agent of the Insurance Department, an authorized
238 representative of the insurer or a managing general agent. The

239 commissioner may require a surety bail bond agent, at any time, to
240 furnish to the Insurance Department, in such manner or form as the
241 commissioner may require, any information concerning the surety bail
242 bond business of such agent.

243 Sec. 7. (NEW) (*Effective October 1, 2009*) (a) All build-up funds
244 posted by a surety bail bond agent or a managing general agent, either
245 with an insurer or a managing general agent representing an insurer,
246 shall be maintained in an individual build-up trust account for the
247 surety bail bond agent by the insurer or the managing general agent.
248 The insurer or managing general agent shall establish the account in a
249 federally insured bank or savings and loan association in this state
250 jointly in the name of the surety bail bond agent and the insurer or
251 managing general agent, or in trust for the surety bail bond agent by
252 the insurer or managing general agent. The account shall be open to
253 inspection and examination by the Insurance Department at all times.
254 The insurer or managing general agent shall maintain an accounting of
255 all build-up funds and such accounting shall designate the amounts
256 collected on each bond written.

257 (b) Build-up funds shall not exceed forty per cent of the premium as
258 established by the surety bail bond agent's contract agreement with the
259 insurer or managing general agent. Build-up funds received shall be
260 immediately deposited in the build-up trust account. Interest earned
261 on build-up trust accounts shall accrue to the surety bail bond agent.

262 (c) Build-up funds are due upon termination of the surety bail bond
263 agent's contract and discharge of liabilities on the bonds for which the
264 build-up funds were posted. The insurer or managing general agent
265 shall pay the funds to the surety bail bond agent not later than six
266 months after the funds are due.

267 Sec. 8. (NEW) (*Effective October 1, 2009*) (a) A surety bail bond agent
268 that accepts collateral security or other indemnity shall comply with all
269 of the following requirements:

270 (1) The collateral security or other indemnity shall be reasonable in
271 relation to the amount of the bond;

272 (2) The collateral security or other indemnity shall not be used by
273 the surety bail bond agent for personal benefit or gain and shall be
274 returned in the same condition as received;

275 (3) Acceptable forms of collateral security or indemnity include, but
276 are not limited to, cash or its equivalent, a promissory note, an
277 indemnity agreement, a real property mortgage in the name of the
278 surety or any Uniform Commercial Code filing. If the surety bail bond
279 agent accepts on a bond collateral security in excess of fifty thousand
280 dollars in cash, the cash amount shall be made payable to the surety in
281 the form of a cashier's check, United States postal money order,
282 certificate of deposit or wire transfer;

283 (4) The surety bail bond agent shall provide to the person giving the
284 collateral security or other indemnity a written, numbered receipt that
285 describes in a detailed manner the collateral security or other
286 indemnity received, along with copies of any documents rendered;
287 and

288 (5) The collateral security or other indemnity shall be received and
289 held in the surety's name by the surety bail bond agent in a fiduciary
290 capacity and, prior to any forfeiture of bail, shall be kept separate and
291 apart from any other funds or assets of the surety bail bond agent.
292 When collateral security in excess of fifty thousand dollars in cash or
293 its equivalent is received on a bond, the surety bail bond agent
294 promptly shall forward the entire amount to the surety or managing
295 general agent.

296 (b) Collateral security may be placed in an interest-bearing account
297 in a federally insured bank or savings and loan association in this state,
298 to accrue to the benefit of the person giving the collateral security. The
299 surety bail bond agent, surety or managing general agent shall not
300 receive any pecuniary gain on the collateral security deposited.

301 (c) (1) The surety is liable for all collateral security or other
302 indemnity accepted by a surety bail bond agent. If, upon final
303 termination of liability on a bond, the surety bail bond agent or
304 managing general agent fails to return the collateral security to the
305 person that gave it, the surety shall return the actual collateral to that
306 person or, in the event that the surety cannot locate the collateral, shall
307 pay the person in accordance with this section.

308 (2) A surety's liability as described in subdivision (1) of this
309 subsection shall survive the termination of the surety bail bond agent's
310 appointment, with respect to those bonds that were executed by the
311 surety bail bond agent prior to the termination of the appointment.

312 (d) (1) If a forfeiture occurs, the surety bail bond agent or surety
313 shall give the principal and the person that gave the collateral security
314 ten days' written notice of intent to convert the collateral deposit into
315 cash to satisfy the forfeiture. The notice shall be sent by certified mail,
316 return receipt requested, to the last-known address of the principal
317 and the person that gave the collateral.

318 (2) If a stay of execution upon such forfeiture is ordered pursuant to
319 section 54-65a of the general statutes, the surety bail bond agent or
320 surety shall send such written notice by certified mail, return receipt
321 requested, to the last-known address of the principal and the person
322 that gave the collateral, at least ten days prior to the expiration of such
323 stay.

324 (3) The surety bail bond agent or surety shall convert the collateral
325 deposit into cash within a reasonable period of time and return that
326 which is in excess of the face value of the bond minus the actual and
327 reasonable expenses of converting the collateral into cash. Such
328 expenses shall not exceed ten per cent of the face value of the bond. If a
329 surety bail bond agent expends more than ten per cent of the face
330 value of the bond to convert the collateral into cash, such agent may
331 file an application with the court, which may allow recovery of the full
332 amount of the actual and reasonable expenses upon motion and proof

333 that the actual and reasonable expenses exceed ten per cent of the face
334 value of the bond. If there is a remission of forfeiture that required the
335 surety to pay the bond, the surety shall pay to the person that gave the
336 collateral the value of any collateral received for the bond minus the
337 actual and reasonable expenses permitted to be recovered under this
338 subsection.

339 (e) A surety bail bond agent or surety shall not solicit or accept a
340 waiver of any of the provisions of this section or enter into any
341 agreement as to the value of the collateral.

342 (f) Prior to the appointment of a surety bail bond agent who is
343 currently or was previously appointed by another insurer, the surety
344 bail bond agent shall file with the commissioner a sworn and notarized
345 affidavit, on a form prescribed by the commissioner, stating that: (A)
346 There has been no loss, misappropriation, conversion or theft of any
347 collateral being held by the agent in trust for any insurer by which the
348 agent is currently or was previously appointed; and (B) all collateral
349 being held in trust by the agent and all records for any insurer by
350 which the agent is currently or was previously appointed are available
351 for immediate audit and inspection by the commissioner, the insurer,
352 or the managing general agent and will, upon demand of the
353 commissioner or insurer, be transmitted to the insurer for whom the
354 collateral is being held in trust.

355 Sec. 9. (NEW) (*Effective October 1, 2009*) (a) If collateral security or
356 other indemnity was accepted on a bond by a surety bail bond agent,
357 the surety bail bond agent, managing general agent or surety shall
358 return the collateral security or other indemnity, except a promissory
359 note or an indemnity agreement, not later than twenty-one days after
360 receipt of a written report from the court that a bond has been
361 terminated. Such collateral security or other indemnity shall be
362 returned to the person that gave the collateral security or other
363 indemnity unless another disposition is provided for by legal
364 assignment of the right to receive the collateral to another person. If,
365 despite diligent inquiry by the surety or the surety's agent to

366 determine that the bond has been terminated, the court fails to provide
367 any written report on termination, the collateral security or other
368 indemnity, except a promissory note or an indemnity agreement, shall
369 be returned to the person that gave the collateral security or other
370 indemnity not later than twenty-one days after the surety, surety bail
371 bond agent or managing general agent has become aware that the
372 bond has been terminated.

373 (b) No fee or other charge, other than that which is authorized by
374 law, shall be deducted from the collateral due. Allowable expenses
375 incurred in the apprehension of a defendant because of a forfeiture of
376 bond or judgment may be deducted if such expenses are accounted for.

377 (c) A violation of this section is:

378 (1) A class A misdemeanor if the collateral is of a value of less than
379 five hundred dollars;

380 (2) A class D felony if the collateral is of a value of at least five
381 hundred dollars but less than five thousand dollars;

382 (3) A class C felony if the collateral is of a value of at least five
383 thousand dollars but less than ten thousand dollars; and

384 (4) A class B felony if the collateral is of a value of ten thousand
385 dollars or more.

386 Sec. 10. (NEW) (*Effective October 1, 2009*) (a) No insurer, managing
387 general agent or surety bail bond agent shall furnish to any person any
388 blank form, application, stationery, business card or other supplies to
389 be used in the solicitation, negotiation or effectuation of bail bonds
390 unless such person is licensed to act as a surety bail bond agent and is
391 appointed by an insurer as set forth in section 38a-660 of the general
392 statutes, as amended by this act. This section shall not prohibit an
393 unlicensed employee who is under the direct supervision and control
394 of a licensed and appointed surety bail bond agent from possessing or
395 executing in the surety bond office any form, other than a power of

396 attorney, bond form or collateral receipt, while acting within the scope
397 of such employee's employment.

398 (b) Any insurer that furnishes any of the supplies set forth in
399 subsection (a) of this section to any surety bail bond agent or other
400 person not appointed by such insurer, and that accepts any bail bond
401 business from or writes any bail bond business for that surety bail
402 bond agent or other person, is liable on the bond to the same extent
403 and in the same manner as if the surety bail bond agent or other
404 person had been appointed or authorized by an insurer to act on its
405 behalf.

406 Sec. 11. (NEW) (*Effective October 1, 2009*) No surety bail bond agent
407 or insurer shall:

408 (1) In exchange for a fee or other consideration, suggest or advise
409 the employment of or name for employment any particular attorney to
410 represent its principal;

411 (2) Directly or indirectly solicit business in or on the property or
412 grounds of a jail, prison or other place where prisoners are confined.
413 For purposes of this subdivision, "solicit" includes the distribution of
414 business cards, print advertising or any other written information
415 directed to prisoners or potential indemnitors, unless a request is
416 initiated by the prisoner or potential indemnitor. Permissible print
417 advertising in or on the property or grounds of a jail, prison or other
418 place where prisoners are confined, or in or on the property or
419 grounds of any court shall be limited to a listing in a telephone
420 directory and the posting of the surety bail bond agent's name, address
421 and telephone number in a prominent designated location in or on
422 such property or grounds;

423 (3) Wear or otherwise display any identification, other than an
424 Insurance Department-issued or approved license or identification
425 approved by the commissioner, in or on the property or grounds of a
426 jail, prison or other place where prisoners are confined, or in or on the

427 property or grounds of any court;

428 (4) Pay a fee or rebate or give or promise anything of value to a
429 jailer, law enforcement officer, committing magistrate or other person
430 who has power to arrest or to hold in custody, or to any public official
431 or public employee, to secure a settlement, compromise, remission or
432 reduction of the amount of any bail bond or estreatment of bail;

433 (5) Pay a fee or rebate or give or promise anything of value to an
434 attorney in a bail bond matter, except in defense of any action on a
435 bond;

436 (6) Pay a fee or rebate or give or promise anything of value to the
437 principal or to anyone on the principal's behalf;

438 (7) Participate in the capacity of an attorney at a trial or hearing of a
439 principal;

440 (8) Accept anything of value from a principal for providing a bail
441 bond, other than the premium filed with and approved by the
442 commissioner and an expense fee, except that the surety bail bond
443 agent may, in accordance with section 9 of this act, accept collateral
444 security or other indemnity from a principal or other person together
445 with documentary stamp taxes, if applicable. No fees, expenses or
446 charges of any kind shall be deducted from the collateral held or from
447 any return premium due, except as authorized by law. A surety bail
448 bond agent may, upon written agreement with a third party, receive a
449 fee or other compensation for returning to custody an individual who
450 has fled the jurisdiction of the court or caused the forfeiture of a bond;

451 (9) Execute a bond in this state on such agent's or insurer's own
452 behalf; or

453 (10) Execute a bond in this state if a bond executed by the surety bail
454 bond agent is forfeited and such forfeiture has remained unpaid for at
455 least sixty days after the date payment has become due, unless the full
456 amount of the forfeited bond is paid to the Office of the Chief State's

457 Attorney.

458 Sec. 12. (NEW) (*Effective October 1, 2009*) (a) Each insurer and each
459 surety bail bond agent that writes bail bonds in this state shall
460 maintain and transmit the following information, based on such
461 insurer's or such agent's Connecticut bail bond business, to the
462 Insurance Department upon request and shall report the information
463 separately for each company represented. Subdivisions (1), (12) and
464 (13) of this subsection shall apply only to insurers:

465 (1) Commissions paid;

466 (2) The number of, and the total dollar amount of, bonds executed;

467 (3) The number of, and the total dollar amount of, bonds declared
468 forfeited;

469 (4) The number of, and the total dollar amount of, forfeitures
470 discharged, remitted or otherwise recovered prior to payment for any
471 reason;

472 (5) The number of, and the total dollar amount of, forfeitures
473 discharged, remitted or otherwise recovered prior to payment due to
474 the apprehension of the defendant by the bail bond agent;

475 (6) The number of, and the total dollar amount of, forfeited bonds
476 that have not been reinstated pursuant to section 54-65a of the general
477 statutes;

478 (7) The number of, and the total dollar amount of, forfeitures paid
479 and subsequently recovered by the Office of the Chief State's Attorney
480 by discharge, remission or otherwise;

481 (8) A list of every outstanding or unpaid forfeiture, estreature and
482 judgment, with the case number and the name of the court in which
483 such forfeiture, estreature or judgment is recorded and the name of
484 each agency or firm that employs the bail bond agent;

485 (9) The number of, and the total dollar amount of, bonds for which
486 collateral was accepted;

487 (10) The actual realized value of collateral converted, excluding the
488 cost of converting the collateral;

489 (11) The cost of converting collateral;

490 (12) The underwriting gain or loss;

491 (13) The net investment gain or loss allocated to the flow of funds
492 associated with Connecticut business; and

493 (14) Such additional information as the Insurance Department may
494 require to: (A) Evaluate the reasonableness of rates or ensure that such
495 rates are not excessive, inadequate or unfairly discriminatory; (B)
496 evaluate the financial condition or trade practices of surety bail bond
497 agents and sureties executing bail bonds; and (C) evaluate the
498 performance of the commercial bail bond industry in accordance with
499 appropriate criminal justice system goals and standards.

500 (b) Each bail bond agent shall submit a copy of such information to
501 each insurer such agent represents.

502 (c) The commissioner shall meet at least annually with a group of
503 surety bail bond agents and insurers, and any other representatives the
504 commissioner deems necessary, to discuss the reporting requirements
505 set forth in subsection (a) of this section.

506 Sec. 13. (NEW) (*Effective October 1, 2009*) (a) The commissioner may
507 suspend or revoke the license of a surety bail bond agent, or may
508 impose a fine in lieu of or in addition to such suspension or revocation
509 in accordance with section 38a-774 of the general statutes for any
510 violation of section 38a-660 of the general statutes, as amended by this
511 act, and sections 3 to 12, inclusive, of this act.

512 (b) Upon the surrender, suspension or revocation of a surety bail

513 bond agent's license, the appointing insurer or managing general agent
 514 shall immediately designate a licensed and appointed surety bail bond
 515 agent to administer all bail bonds previously written by the licensee.

516 (c) Any individual aggrieved by the action of the commissioner
 517 under subsection (a) of this section may appeal therefrom, in
 518 accordance with section 38a-774 of the general statutes.

519 Sec. 14. (NEW) (*Effective October 1, 2009*) The commissioner may
 520 adopt regulations, in accordance with the provisions of chapter 54 of
 521 the general statutes, to implement the provisions of section 38a-660 of
 522 the general statutes, as amended by this act, and sections 3 to 12,
 523 inclusive, of this act.

524 Sec. 15. Section 29-152n of the general statutes is repealed and the
 525 following is substituted in lieu thereof (*Effective October 1, 2009*):

526 Any person who violates any provision of sections 29-152e to
 527 29-152m, inclusive, [and 38a-660a] shall be guilty of a class D felony.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2009</i>	38a-660
Sec. 2	<i>October 1, 2009</i>	38a-660a
Sec. 3	<i>October 1, 2009</i>	New section
Sec. 4	<i>October 1, 2009</i>	New section
Sec. 5	<i>October 1, 2009</i>	New section
Sec. 6	<i>October 1, 2009</i>	New section
Sec. 7	<i>October 1, 2009</i>	New section
Sec. 8	<i>October 1, 2009</i>	New section
Sec. 9	<i>October 1, 2009</i>	New section
Sec. 10	<i>October 1, 2009</i>	New section
Sec. 11	<i>October 1, 2009</i>	New section
Sec. 12	<i>October 1, 2009</i>	New section
Sec. 13	<i>October 1, 2009</i>	New section
Sec. 14	<i>October 1, 2009</i>	New section
Sec. 15	<i>October 1, 2009</i>	29-152n

Statement of Legislative Commissioners:

Section 1 (f)(3)(C) was rewritten for consistency with the drafting conventions of the general statutes.

INS *Joint Favorable Subst.*