



February 16, 2010

Dear Members of the Insurance and Real Estate Committee,

Thank you for the opportunity to speak in support for House Bill 5147. My name is Andrew Marocchini III, I've been a Surety Bail Agent for approximately 13 years, Professional Bondsman for 6 years, owner of BailCo LLC for 7 years, former President current Vice President of the Bail Association of Connecticut and instructor for the surety bail agent pre-licensing course for 3 years.

I've come to you today to testify in support of House Bill 5147, "An Act Concerning Surety Bail Bond Agents and Professional". I believe the proposed bill can go a long way to improve the regulation of Surety Bail Bond Agents.

During my tenure as a bondsman I've sadly observed the professionalism of the industry, the respect given to clients and governing state agencies have decline significantly. This decline has occurred for several reasons including, the unethical business practices of some bondsmen, and lack of accountability that resulted from a decade of almost nonexistent oversight by the Department of Insurance, vague regulations, and the economy.

Most of the problems began with a few "bad apples" in the industry that were allowed to prosper due to the lack of enforcement of existing regulations. The limited enforcement of Insurance Department policy and laws can be attributed to the previous commissioner's lax stance on bail regulation, staffing, and budgeting issues. Unfortunately the "bad apples" have infected the industry like a cancer, and in order for many bondsmen to compete they have had to adopt unethical and illegal business practices themselves or be forced out of the business all together. Still other companies, mine included, are acting ethically as they always have and hanging on to the hope that this legislative session will see a strengthening of the statutes. I'm not sure how much longer legitimate business owners can wait. Our industry reputation has suffered significant damage relationships with the courts, state agencies and our client's restoring faith in our ability to negotiate premium and be a construction component of the judicial system will take years to be repair.

The end result has been devastating for our industry and public safety alike. Defendants have been released for significantly less the premium amounts. Courts have become battlegrounds for bondsmen conducting business more akin to the methods of drug dealers. Judges fed up with bondsmen's behaviors and business practices have significantly increased the use of PTA, non-surety and 10% bonds. Lawyers and Police Officers are telling defendants to negotiate premium with bondsmen because "they make deals" and the economy has made it so that the few clients remaining can't afford to post the bonds.



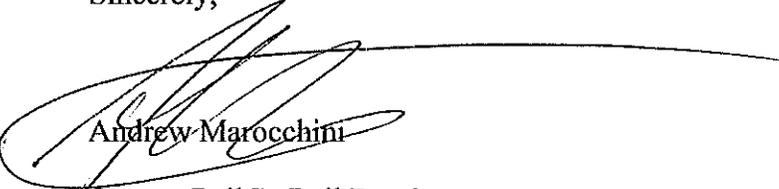
It has been my belief that there are enough laws regulating our industry and they simply need to be enforced. The current Insurance Commissioner has proven that with the addition of some enthusiastic staff with investigation and auditing skills the laws and policies can be enforced. This recent effort is being felt by those in the industry doing wrong and the ones smart enough to realize what's happening are scared and should be their time is coming to an end. I applaud this great effort and the current dedication of Commissioner Sullivan and the vigor of his competent investigation team. There have been more enforcement actions in the last 4 months then the past 15 years. Had this effort been enforce ten years ago we wouldn't be talking about this Bill 5147 today. Unfortunately, the "bad apples" of the commercial bail industry are forcing legitimate businesses out in order to quickly address these issues we do need strong clear laws that give the investigators the tools they need to clean up the industry. Bill 5147 is not perfect but it's a great start. Passing this Bill is imperative without this bill legitimate tax paying businesses will be forced to attempt to continue competing with bondsman that do not concern themselves with laws, paying taxes or ethical business practices.

In the past variations of the Bill have failed to become law for a few reasons. In some case of the proposed bills would be very cumbersome for the weakened industry. The largest opposition traditionally has come from the minority caucus which seems to feel that there constituents would not be able to post bonds for the loved ones. I ask the committee to please remember that judges, bail commissioners and police supervisors determine bond amounts NOT bondsman. Our sole fiduciary duty to the State is to insure the defendant attends all hearings. Bill 5147 would not affect our ability as an industry to the bonds and more importantly it will insure that industry continues to exist.

Surety Bail, when regulated properly, is a great tool for the criminal justice system and the people of Connecticut for many reasons. My industry employs nearly two thousand tax paying Connecticut residents which our employed by small business owners "the backbone of America". Defendants released on surety bonds are significantly less likely to forfeit the bond and if they do, our industry either finds the defendant or pays the forfeiture at no cost to Connecticut's tax payers. This cannot be said for any other form bond or pretrial release.

I would be happy to discuss this matter further, thank you for your time.

Sincerely,



Andrew Marocchini

Owner, BailCo Bail Bonds