



EASY BAIL BONDS,

5147

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February 19, 2010

Dear Members of the Insurance and Real Estate Committee,

I'm testifying today in support of House Bill 5147, "An Act Concerning Surety Bail Bond Agents and Professional Bondsmen." As an active member within the bail community, I am both a member and Secretary of the Connecticut Bail Association. I believe the proposed bill can go a long way to improve the regulation of Surety Bail Bond Agents.

I've had the opportunity to speak with many of my colleagues, and we are eager to see the passage of this bill. In particular, Section 11, Part 2 regarding solicitation in correctional and detention facilities, police stations and courthouses, offers an opportunity for substantial reform. As a root cause of other issues addressed within this bill, eliminating solicitation would be a huge step in improving the experience for the consumer. I applaud Section 4, referring to premium financing and collection requirements, also offers great improvement over current unsupervised methods. While the vast majority of both Professional and Surety Bail Bond Agents are diligent about collecting premium, the requirements proposed within this section will provide further uniformity and help to eliminate the current problem of "undercutting."

After thoroughly reviewing the bill, I see a small portion that may benefit from further amendment. Section 7 addresses a limit to build-up fund contributions defined as "not to exceed forty per cent of the premium as established by the surety bail bond agent's contract agreement with the insurer or managing general agent." For example, if a bail agent with a contracted premium rate of twenty per cent were to post a ten thousand dollar bond, the maximum said agent could contribute to the build-up fund would be limited to sixty-eight dollars. At present time, most Surety Bail Bond Agents contribute to their build-up fund based on bond amount. As such, that same ten thousand dollar bond would yield a one hundred dollar build-up fund contribution. The requirements proposed in Section 7 will almost half the amount we are currently contributing to our build-up funds, and as a company owner, this is of particular concern to me.

I see great things ahead for the insurance industry with the passage of House Bill 5147. With a few minor modifications this bill holds the potential to be significant for Legislature, consumer, and bail professional alike. I welcome the opportunity to discuss this in further detail, and thank you for your time.

Sincerely,

Katherine A. Goulart

Executive Director, Easy Bail Bonds