Bill No.: HB-7175
Title: AN ACT CONCERNING SURETY BAIL BOND AGENTS.
Vote Date: 3/14/2019
Vote Action: Joint Favorable
PH Date: 2/27/2019
File No.:

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SPONSORS OF BILL:
Insurance and Real Estate Committee

REASONS FOR BILL:
This bill is for surety bond agents, and the hopes are to equivocate their regulatory standards to the standards that other insurance agents are held to. It would allow for auditing to occur every three years unless deemed otherwise necessary, as the assessment fee is reinforced every other year.

RESPONSE FROM ADMINISTRATION/AGENCY:
State of Connecticut Insurance Department wrote in testimony that out of 200,000 agents, brokers, adjusters, and bail bond agents, these reinforced rules will strengthen the regulations required on the some 300 bail bond agents in the state. Also, they write that the Department has worked very closely with the Bail Association of CT previously, and they have established together that the three year auditing period is fair and just. Additionally, the Department wrote that if an agent is to not pay their assessment fee by January 31, then on February 1, their license will expire and only be reinstated immediately if the fee is paid within the following ten days. This works for both sides involved to make sure payments are delivered in a timely manner, whereas today agents can wait several months before payment. The Department calls this payment “crucial to the Department’s ability to regulate the industry”. Lastly, they touch on the continuing education of agents of this kind in the state, which is a provision of the bill, saying it would help keep good business ethics intact, and eliminate much of the misinformation that occurs which affect the industry and the publics.

NATURE AND SOURCES OF SUPPORT:
None expressed.
NATURE AND SOURCES OF OPPOSITION:

_Bail Association of Connecticut_ wrote in testimony that they are respectfully opposed to this legislation, citing the need for amended language before an agreement can be reached. They write that the passing of Public Act 11-45 was intended for monitoring the industry, but the provisions have not been correctly put in place to allow strict oversight of the field. They state that this cannot be done correctly if the Department of Insurance does not have the necessary resources readily available. They concur with the Department's testimony that the oversights of their licensing are not consistent with those of other areas of the industry, and their extensive amounts of audits on the bail bonds sector cause unnecessary burdens to the parties involved. They also write that the industry seems to be doing more to “self-police” than anything else. They fully support the continuing education for agents.

Reported by: Logan Cotter

Date: 03/25/19