
OLR Bill Analysis

sHB 6393

AN ACT CONCERNING THE INSURANCE DEPARTMENT'S RECOMMENDATIONS REGARDING SURETY BAIL BOND AGENTS.

SUMMARY

This bill makes changes to the insurance statutes relating to surety bail bond agents. A surety bail bond agent sells bail bonds in criminal cases through a contract with an insurer. The insurance commissioner licenses and regulates the agents.

Specifically, the bill does the following:

1. establishes an automatic license expiration process for when a surety bail bond agent fails to pay the required annual \$450 examination fee;
2. changes when money in the surety bail bond examination account is transferred to the General Fund at the end of the calendar year, instead of the end of the fiscal year; and
3. authorizes the commissioner to adopt regulations establishing continuing education requirements for surety bail bond agents.

EFFECTIVE DATE: October 1, 2021

LICENSE EXPIRATION PROCESS

Under the bill, a surety bail bond agent's license expires on February 1 if the agent fails to pay the required annual \$450 examination fee by January 31. But if the agent pays the fee within 30 days after the expiration, the commissioner must immediately reinstate the agent's license. The bill requires the commissioner to notify each agent of the expiration provision annually by December 15.

Under current law, the commissioner follows procedures under the

Uniform Administrative Procedure Act when an agent fails to pay the fee by the deadline, which allows for an extended timeframe for adjudicating these issues.

TRANSFER OF ACCOUNT MONEY

By law, examination fees are deposited in the surety bail bond examination account, which is an account within the Insurance Fund that the commissioner uses to pay the costs of examining agents' books and records. The bill changes when money remaining in the account is transferred to the General Fund from the end of the fiscal year to the end of the calendar year. So, it allows him access to the money for a longer period of time than under current law.

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable Substitute

Yea 17 Nay 1 (03/22/2021)