

Insurance and Real Estate Committee JOINT FAVORABLE REPORT

Bill No.: HB-6393

AN ACT CONCERNING THE INSURANCE DEPARTMENT'S

Title: RECOMMENDATIONS REGARDING SURETY BAIL BOND AGENTS.

Vote Date: 3/22/2021

Vote Action: Joint Favorable Substitute

PH Date: 2/11/2021

File No.:

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SPONSORS OF BILL:

Insurance and Real Estate Committee

REASONS FOR BILL:

The bill will automatically cancel surety bail bond agent's license if the agent does not pay the annual fee, this has been an issue claimed by the Insurance Department as they have limited recourse for the recollection of the fee. The bill also authorizes the commissioner to adopt continuing education requirements for surety bail bond agents because many of the problems that occur are as a result of misinformation. Lastly, the bill reschedules the annual transfer to the General Fund from the examination account, this was changed so that they can access the fund longer than the original six months.

Proposed Substitute Language

In line 16 the fee date what changed from 10 days to 30 days due to the concern brought up from Jeffery Clayton's testimony. Mr. Clayton was concerned that 10 days was too short of a time and requested it be changed to 30 days. Therefore, the bail bond agent must provide the annual fee within 30 days of the expiration.

RESPONSE FROM ADMINISTRATION/AGENCY:

Andrew Mais, Commissioner, State of Connecticut Insurance Department supports the bill as it seeks to bring the more than 300 licensed surety bond agents to the same level of regulations as other licenses regulated by the department. There is currently no penalty or incentive agents to pay annual assessment fees by the January 31st deadline. Once the deadline has passed there is no recourse to collect the fee other than an administrative

procedure which takes 2-3 months. The bill would allow automatic expiration if the fee is not paid as well as continuing education for bail bond agents. Some of the issues that occur stem from misinformation. The bill also will move the sweep date of the bail bond agent examination account from the end of the fiscal year to the end of the calendar year which allows access to funding for longer than six months.

NATURE AND SOURCES OF SUPPORT:

Kelly McConney Moore, Interim Senior Policy Counsel, American Civil Liberties Union of Connecticut supports the bill particularly section 2 which will establish continuing education requirements for licenses surety bail bond agents in CT as bail bond agents are largely unregulated. Bail bond agents have a wide discretion that allow for arrests and physical force to effect the arrest. They are for-profit businesses that make billions on the backs of low-income people and communities of color that have been ravished by mass incarceration and over policing.

Jeffrey J. Clayton, Esq., Executive Director, American Bail Coalition is concerned with the regulation of licensed bail agents. He supports the continuation of education requirements in CT and looks forward to working with the department to come up with a sensible program. He is concerned with the automatic expiration of the license provision being 10 days and instead asked for a 30-day upfront grace period and a 30-day reinstatement grace period.

NATURE AND SOURCES OF OPPOSITION:

None expressed.

Reported by: Christina Cruz

Date: 03/30/2021