



General Assembly

Substitute Bill No. 5824

January Session, 2023



**AN ACT CONCERNING REQUIREMENTS FOR PROFESSIONAL BAIL
BONDSMEN AND SURETY BAIL BOND AGENTS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 29-146 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2023*):

3 The Commissioner of Emergency Services and Public Protection
4 shall, upon receipt of such application, cause an investigation to be
5 made of the character and financial responsibility of the applicant and,
6 if he finds that such applicant is a resident elector of good moral
7 character and of sound financial responsibility, [he] as evidenced, in
8 part, by the establishment and maintenance of a trustee account
9 pursuant to section 29-152c, as amended by this act, the commissioner
10 shall, upon payment by such applicant to the state of a license fee of two
11 hundred dollars, issue a license to such applicant to do business in this
12 state as a professional bondsman. Each such license shall be for such
13 term not exceeding one year as said commissioner determines.

14 Sec. 2. Section 29-152 of the general statutes is repealed and the
15 following is substituted in lieu thereof (*Effective October 1, 2023*):

16 Any person who violates any provision of section 29-145, 29-148, 29-
17 150 or 29-151, or fails to establish and maintain a trustee account

18 pursuant to section 29-152c, as amended by this act, shall be fined not
19 more than three thousand five hundred dollars [or imprisoned not more
20 than two years, or both,] and such person's right to engage in the
21 business of a professional bondsman in this state shall thereupon be
22 permanently forfeited.

23 Sec. 3. Section 29-152a of the general statutes is repealed and the
24 following is substituted in lieu thereof (*Effective October 1, 2023*):

25 To carry out the provisions of sections 29-144 to 29-151, inclusive, 29-
26 152b and 29-152c, as amended by this act, the Commissioner of
27 Emergency Services and Public Protection; [may:]

28 (1) Shall at least annually audit the trustee account of any professional
29 bondsman established and maintained pursuant to section 29-152c, as
30 amended by this act;

31 [(1) Inspect] (2) May inspect the books and records of any
32 professional bondsman as often as the commissioner deems necessary.
33 Said commissioner may consult with the Insurance Commissioner to
34 carry out such inspections. The Commissioner of Emergency Services
35 and Public Protection may adopt regulations, in accordance with
36 chapter 54, to (A) establish procedures for such inspections, (B) specify
37 the content and form of books and records required to be kept by
38 professional bondsmen, or (C) require a fee to be paid by professional
39 bondsmen to cover the cost of inspections; and

40 [(2) Adopt] (3) May adopt regulations, in accordance with chapter 54,
41 to carry out the provisions of sections 29-144 to 29-151, inclusive, 29-
42 152b and 29-152c, as amended by this act.

43 Sec. 4. Section 29-152c of the general statutes is repealed and the
44 following is substituted in lieu thereof (*Effective October 1, 2023*):

45 (a) A professional bondsman may accept collateral security or other
46 indemnity on a bail bond.

47 (b) A professional bondsman shall establish and maintain a trustee
48 account and deposit all such collateral security or other indemnity into
49 such account.

50 [(b)] (c) If collateral security or other indemnity was received on a bail
51 bond by a professional bondsman and such bond is terminated, such
52 bondsman shall return the collateral security or other indemnity, except
53 a promissory note or an indemnity agreement, not later than twenty-one
54 days after receipt of a written report from the court that the bail bond
55 has been terminated. Such collateral security or other indemnity shall be
56 returned to the person who gave the collateral security or other
57 indemnity unless another disposition is provided for by legal
58 assignment to another person of the right to receive the return of the
59 collateral security or other indemnity. If, despite diligent inquiry by the
60 professional bondsman to determine whether the bail bond has been
61 terminated, the court fails to provide any written report on termination,
62 the collateral security or other indemnity, except a promissory note or
63 an indemnity agreement, shall be returned to the person who provided
64 the collateral security or other indemnity not later than twenty-one days
65 after the professional bondsman has become aware that the bail bond
66 has been terminated. Acceptable forms of collateral security or other
67 indemnity include, but are not limited to, cash or its equivalent, a
68 promissory note, an indemnity agreement, a real property mortgage in
69 the name of the insurer or any Uniform Commercial Code filing.

70 [(c)] (d) No fee or other charge shall be deducted from the collateral
71 security or other indemnity due, except that actual and reasonable
72 expenses incurred by a professional bondsman in the apprehension of a
73 defendant because of a forfeiture of a bail bond or judgment may be
74 deducted if such expenses are accounted for.

75 [(d)] (e) Any person who violates this section shall be subject to the
76 penalties for larceny under sections 53a-122 to 53a-125b, inclusive,
77 depending on the amount involved.

78 Sec. 5. Subsections (f) to (h), inclusive, of section 38a-660 of the

79 general statutes are repealed and the following is substituted in lieu
80 thereof (*Effective October 1, 2023*):

81 (f) (1) Every applicant for a license shall file with the commissioner a
82 notice of appointment executed by an insurer or its authorized
83 representative authorizing such applicant to execute undertakings of
84 bail and to solicit and negotiate such undertakings on its behalf.

85 (2) An appointment of a person as a surety bail bond agent by an
86 insurer pursuant to subdivision (1) of this subsection shall constitute
87 certification by such insurer that, to the best of the insurer's knowledge
88 and belief, such person is competent, financially responsible, as
89 evidenced, in part, by the establishment and maintenance of a trustee
90 account required pursuant to subsection (b) of section 38a-660g, as
91 amended by this act, and suitable to serve as a representative of the
92 insurer. No person shall represent to the public that such person has the
93 authority to represent an insurer as its surety bail bond agent until such
94 person has been appointed by an insurer as such agent in accordance
95 with this section. An insurer shall be bound by the acts of such person
96 within the scope of such person's actual or apparent authority as such
97 insurer's agent.

98 (3) (A) Each appointment shall, by its terms, continue in force until:
99 (i) Termination of the surety bail bond agent's license; or (ii) the filing of
100 a notice of termination with the commissioner by the insurer or its
101 representative or by such surety bail bond agent.

102 (B) No such agent shall engage or attempt to engage in any activity
103 requiring such an appointment after the termination of such agent's
104 appointment. An insurer that terminates the appointment of a surety
105 bail bond agent may: (i) [~~authorize~~] Authorize such agent to take into
106 custody a principal who has absconded for whom a bail bond had been
107 executed prior to the termination of such agent's appointment; [,] and
108 (ii) seek discharge of forfeitures and judgments paid by such insurer on
109 behalf of such agent prior to such agent's termination.

110 (g) An applicant for a license shall be required to appear in person
111 and take a written examination testing the applicant's competency and
112 qualifications to act as a surety bail bond agent. The commissioner may
113 designate an independent testing service to prepare and administer
114 such examination, provided any examination fees charged by such
115 service shall be paid by the applicant. The commissioner shall collect the
116 appropriate examination fee, which shall entitle the applicant to take the
117 examination for the license, except when a testing service is used, the
118 testing service shall pay such fee to the commissioner. In either case,
119 such examination shall be as the commissioner prescribes and shall be
120 of sufficient scope to test the applicant's knowledge of subjects pertinent
121 to the duties and responsibilities of a surety bail bond agent, including
122 all laws and regulations of this state applicable thereto.

123 (h) In addition to all other requirements prescribed in this section,
124 each applicant for a license shall furnish satisfactory evidence to the
125 commissioner that: (1) The applicant is at least eighteen years of age; (2)
126 the applicant is a citizen of the United States; (3) the applicant has
127 established and maintains a trustee account, as required pursuant to
128 subsection (b) of section 38a-660g, as amended by this act; and [(3)] (4)
129 the applicant has never been convicted of a disqualifying offense. The
130 commissioner shall require each applicant to submit to a background
131 investigation, including an investigation of any prior criminal activity,
132 to be conducted by the Division of Criminal Justice. The Division of
133 Criminal Justice shall require each applicant to submit to state and
134 national criminal history records checks. Such criminal history records
135 checks shall be conducted in accordance with section 29-17a.

136 Sec. 6. Section 38a-660d of the general statutes is repealed and the
137 following is substituted in lieu thereof (*Effective October 1, 2023*):

138 (a) All premiums, including any part of a premium that a surety bail
139 bond agent is obligated to return to a principal or indemnitor, and other
140 funds belonging to insurers or others that are received by a surety bail
141 bond agent in performing such agent's duties as a surety bail bond
142 agent, including those funds held in a trustee account required pursuant

143 to subsection (b) of section 38a-660g, as amended by this act, shall be
144 deemed trust funds received by such agent in a fiduciary capacity. Such
145 agent shall account for and pay the same to the insurer or persons
146 entitled to such funds pursuant to the surety bail bond agent's contract
147 with the insurer or managing general agent. No fees, expenses or
148 charges of any kind shall be deducted from any premium the surety bail
149 bond agent is obligated to return to a principal or indemnitor, except as
150 authorized under sections 38a-660b to 38a-660k, inclusive.

151 (b) (1) A surety bail bond agent shall keep and make available to the
152 commissioner or the commissioner's designee any books, accounts and
153 records as necessary to enable the commissioner to determine whether
154 such agent is complying with the provisions of sections 38a-660b to 38a-
155 660k, inclusive. A surety bail bond agent shall preserve the books,
156 accounts and records pertaining to a premium payment for at least three
157 years after making such payment. Records that are preserved by
158 photographic or digital reproduction or records that are in photographic
159 or digital form shall be deemed to be in compliance with this subsection.

160 (2) The commissioner or the commissioner's designee shall, at least
161 annually, audit each trustee account established and maintained by a
162 surety bail bond agent pursuant to subsection (b) of section 38a-660g, as
163 amended by this act.

164 (c) Any surety bail bond agent who fails to establish and maintain a
165 trustee account pursuant to subsection (b) of section 38a-660g, as
166 amended by this act, or otherwise diverts or appropriates any of the
167 funds received under subsection (a) of this section for such agent's own
168 use shall be subject to the penalties for larceny under sections 53a-122 to
169 53a-125b, inclusive, depending on the amount involved.

170 Sec. 7. Subsection (b) of section 38a-660g of the general statutes is
171 repealed and the following is substituted in lieu thereof (*Effective October*
172 *1, 2023*):

173 (b) A surety bail bond agent who receives collateral security or other

174 indemnity on a bail bond shall comply with all of the following
175 requirements:

176 (1) The collateral security or other indemnity shall be reasonable in
177 relation to the amount of the bail bond;

178 (2) The collateral security or other indemnity shall not be used by the
179 surety bail bond agent for personal benefit or gain and shall be returned
180 in the same condition as received;

181 (3) Acceptable forms of collateral security or other indemnity include,
182 but are not limited to, cash or its equivalent, a promissory note, an
183 indemnity agreement, a real property mortgage in the name of the
184 insurer or any Uniform Commercial Code filing;

185 (4) The surety bail bond agent shall provide to the person providing
186 the collateral security or other indemnity a written, numbered receipt
187 that describes in a detailed manner the collateral security or other
188 indemnity provided, along with copies of any documents rendered;

189 (5) The surety bail bond agent shall hold the collateral security or
190 other indemnity in a fiduciary capacity and shall, prior to any forfeiture
191 of a bail bond, keep the collateral security or other indemnity separate
192 and apart from any other funds or assets of the surety bail bond agent
193 in a trustee account established and maintained by the surety bail bond
194 agent;

195 (6) If the surety bail bond agent receives collateral security or other
196 indemnity in excess of fifty thousand dollars in cash, the cash amount
197 shall be made payable to the insurer in the form of a cashier's check,
198 United States postal money order, certificate of deposit or wire transfer;
199 and

200 (7) If the surety bail bond agent receives collateral security or other
201 indemnity in excess of fifty thousand dollars in cash or its equivalent,
202 the agent shall promptly forward the entire amount of such collateral
203 security or other indemnity to the insurer or managing general agent.

204 Sec. 8. Section 38a-660l of the general statutes is repealed and the
205 following is substituted in lieu thereof (Effective October 1, 2023):

206 (a) The commissioner: [may] (1) Except as provided in subdivision (2)
207 of this subsection, may suspend or revoke the license of a surety bail
208 bond agent, or may impose a fine in an amount not more than three
209 thousand five hundred dollars in lieu of or in addition to such
210 suspension or revocation in accordance with section 38a-774 for any
211 violation of section 38a-660, as amended by this act, and sections 38a-
212 660b to 38a-660k, inclusive; or (2) shall suspend or revoke the license of
213 a surety bail bond agent, and may impose a fine in an amount not more
214 than three thousand five hundred dollars in addition to such suspension
215 or revocation in accordance with section 38a-774.

216 (b) Upon the surrender, suspension or revocation of a surety bail
217 bond agent's license, the appointing insurer or managing general agent
218 shall immediately designate a licensed and appointed surety bail bond
219 agent to administer all bail bonds previously executed by the licensee.

220 (c) Any individual aggrieved by the action of the commissioner under
221 subsection (a) of this section may appeal therefrom, in accordance with
222 section 38a-774.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2023	29-146
Sec. 2	October 1, 2023	29-152
Sec. 3	October 1, 2023	29-152a
Sec. 4	October 1, 2023	29-152c
Sec. 5	October 1, 2023	38a-660(f) to (h)
Sec. 6	October 1, 2023	38a-660d
Sec. 7	October 1, 2023	38a-660g(b)
Sec. 8	October 1, 2023	38a-660l

Statement of Legislative Commissioners:

In Section 4(b), "bondman" was changed to "bondsman" for accuracy; and in Section 6(b)(2), "bail" was added after "surety" for accuracy.

JUD *Joint Favorable Subst.*