

SENATE BILL No. 117

DIGEST OF INTRODUCED BILL

Citations Affected: IC 27-10-3.

Synopsis: Bail agent and recovery agent licensing. Establishes procedures for the reinstatement of an expired bail agent or recovery agent license. Requires an applicant for a bail agent license to complete certain courses before issuance of a license. Establishes: (1) continuing education requirements for the renewal of a bail agent license; and (2) procedures for bail agent instruction or continuing education. Requires an insurer that terminates the appointment of a surety bail agent to report to the insurance commissioner concerning certain activities of the surety bail agent. Prohibits an insurer from appointing a person as a surety bail agent under certain circumstances.

Effective: July 1, 2002.

Landske

December 7, 2001, read first time and referred to Committee on Judiciary.

C
o
p
y



Second Regular Session 112th General Assembly (2002)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2001 General Assembly.

C
o
p
y

SENATE BILL No. 117



A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 27-10-3-2 IS AMENDED TO READ AS
- 2 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. (a) All licenses
- 3 issued expire two (2) years after the end of the month of issue based on
- 4 the schedule set forth in subsection (b) unless the licensee is on
- 5 probation or the licensee's license was revoked or suspended before
- 6 that date by the commissioner or upon notice served upon the
- 7 commissioner that the insurer or employer of any recovery agent has
- 8 canceled the licensee's authority to act for the insurer or employer.
- 9 (b) A license must be renewed under this article according to the
- 10 following schedule:
- 11 (1) A licensee whose last name commences with the letters A
- 12 through H shall renew a license before the last day of August
- 13 every other calendar year beginning August 1993.
- 14 (2) A licensee whose last name commences with the letters I
- 15 through R shall renew a license before the last day of September
- 16 every other calendar year beginning September 1993.
- 17 (3) A licensee whose last name commences with the letters S



1 through Z shall renew a license before the last day of October
2 every other calendar year beginning October 1993.

3 (c) A licensee who is issued a new license with not more than one
4 (1) year remaining shall pay fifty percent (50%) of the fee set forth in
5 section 4 of this chapter.

6 **(d) A licensee whose license has expired may have the license
7 reinstated if:**

8 **(1) the licensee applies for reinstatement not more than ninety
9 (90) days after the date the license expired;**

10 **(2) the licensee:**

11 **(A) is not on probation; or**

12 **(B) has not previously been denied a license;**

13 **(3) the license was not revoked or suspended when the license
14 expired;**

15 **(4) the licensee pays:**

16 **(A) a pro rata portion of the license fee required under
17 section 7 of this chapter based on the appropriate renewal
18 schedule for the licensee as described in subsection (b); and**

19 **(B) a license reinstatement fee of two hundred dollars
20 (\$200) to the commissioner; and**

21 **(5) the licensee meets all other appropriate qualifications and
22 criteria.**

23 SECTION 2. IC 27-10-3-3 IS AMENDED TO READ AS
24 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. (a) The application
25 for license, in addition to the matters set out in section 1 of this chapter,
26 to serve as a bail agent must affirmatively show that:

27 (1) the applicant is at least eighteen (18) years of age and is of
28 good moral character;

29 (2) the applicant has never been convicted of a disqualifying
30 offense, notwithstanding IC 25-1-1.1, or:

31 (A) in the case of a felony conviction, at least ten (10) years
32 have passed since the date of the applicant's conviction or
33 release from imprisonment, parole, or probation, whichever is
34 later; or

35 (B) in the case of a misdemeanor disqualifying offense, at least
36 five (5) years have passed since the date of the applicant's
37 conviction or release from imprisonment, parole, or probation,
38 whichever is later; ~~and~~

39 (3) the applicant has knowledge ~~or~~ experience ~~or instruction~~
40 in the bail bond business, or has held a valid all lines fire and
41 casualty agent's license for one (1) year within the last five (5)
42 years, or has been employed by a company engaged in writing

C
O
P
Y



1 bail bonds in which field the applicant has actively engaged for at
 2 least one (1) year of the last five (5) years; **and**
 3 **(4) the applicant has completed at least sixteen (16) hours of**
 4 **instruction in courses approved by the commissioner**
 5 **concerning the duties and responsibilities of a bail agent,**
 6 **including instruction in the laws that relate to the conduct of**
 7 **bail agents.**

8 (b) The application must affirmatively show that the applicant has
 9 been a bona fide resident of the state for one (1) year immediately
 10 preceding the date of application. However, the commissioner may
 11 waive this requirement.

12 SECTION 3. IC 27-10-3-7 IS AMENDED TO READ AS
 13 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 7. **(a)** A renewal license
 14 shall be issued by the commissioner to a licensee who:

15 **(1)** has continuously maintained a license in effect; ~~without~~
 16 ~~further examination; unless deemed necessary by the~~
 17 ~~commissioner; upon the payment of~~

18 **(2)** pays a renewal fee of:

19 **(A)** six hundred fifty dollars (\$650) for bail agents; and

20 **(B)** three hundred dollars (\$300) for recovery agents; ~~if the~~
 21 ~~licensee~~

22 **(3) if the licensee is renewing a bail agent's license, has**
 23 **fulfilled the continuing education requirement described in**
 24 **subsection (b); and**

25 **(4)** has in all other respects complied with and been subject to this
 26 article.

27 **The commissioner may also require a licensee to take an**
 28 **examination before the commissioner issues a renewal license to**
 29 **the licensee.**

30 **(b) This subsection does not apply to a licensee who, on the date**
 31 **the licensee applies for renewal of a bail agent's license:**

32 **(1)** is at least sixty (60) years of age; and

33 **(2)** has been a licensed bail agent for at least fifteen (15) years.

34 **A licensee who wishes to renew a bail agent's license must complete**
 35 **at least eight (8) hours of continuing education courses approved**
 36 **by the commissioner concerning the duties and responsibilities of**
 37 **a bail agent, including instruction in the laws that relate to the**
 38 **conduct of bail agents, during each license period. A course used to**
 39 **fulfill continuing education requirements for licensed insurance**
 40 **producers under IC 27-1-15.7 may not be used to satisfy continuing**
 41 **education requirements under this section.**

42 **(c)** After the receipt of the licensee's application for renewal, the

C
O
P
Y



1 current license continues in effect until the renewal license is issued or
2 denied for cause.

3 SECTION 4. IC 27-10-3-7.1 IS ADDED TO THE INDIANA CODE
4 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
5 1, 2002]: Sec. 7.1. (a) A person that wishes to offer courses of
6 instruction that are needed to obtain or renew a bail agent's license
7 as required under sections 3(a)(4) and 7 of this chapter must:

8 (1) be a professional organization that has an interest in the
9 work of bail agents;

10 (2) obtain approval of the courses from the commissioner
11 before conducting the courses;

12 (3) pay an annual fee of five hundred dollars (\$500) to the
13 commissioner; and

14 (4) comply with any other requirements established by the
15 commissioner.

16 (b) A professional organization that conducts courses of
17 instruction approved by the commissioner under subsection (a)
18 may charge:

19 (1) persons who attend the courses a reasonable fee; and

20 (2) members of the professional organization a lower fee than
21 persons who are not members of the professional
22 organization.

23 (c) Fees paid to the commissioner under subsection (a)(3) shall
24 be:

25 (1) deposited in the bail bond enforcement and administration
26 fund established by IC 27-10-5-1; and

27 (2) used to implement this section.

28 SECTION 5. IC 27-10-3-11 IS AMENDED TO READ AS
29 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 11. (a) An insurer who
30 appoints a surety bail agent in Indiana shall give notice of the
31 appointment to the commissioner along with a written application for
32 license for the bail agent. All appointments are subject to the issuance
33 of a license to the surety bail agent.

34 (b) An insurer that terminates the appointment of a surety bail agent
35 shall:

36 (1) file written notice of the termination with the commissioner
37 together with a statement that the insurer has given or mailed
38 notice to the surety bail agent; and

39 (2) not more than thirty (30) days after the date the insurer
40 terminates the appointment, submit a written report to the
41 commissioner concerning the surety bail agent's:

42 (A) unpaid premiums;

C
O
P
Y



- 1 **(B) unsatisfied judgments; and**
- 2 **(C) willful failure and refusal to fulfill other contractual**
- 3 **obligations.**

4 The notice filed with the commissioner must state the reasons, if any,
 5 for the termination. Information furnished to the commissioner is
 6 confidential and may not be used as evidence in or a basis for any
 7 action against the insurer or any of the insurer's representatives.

8 **(c) An insurer may not appoint a person as a surety bail agent**
 9 **if the person has:**

- 10 **(1) unpaid premiums;**
- 11 **(2) unsatisfied judgments; or**
- 12 **(3) willfully failed and refused to fulfill other contractual**
- 13 **obligations;**
- 14 **to another insurer or bail agent.**

C
o
p
y

