

# COMMISSIONER OF SECURITIES & INSURANCE

MONICA J. LINDEEN  
COMMISSIONER



OFFICE OF THE MONTANA  
STATE AUDITOR

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## ADVISORY MEMORANDUM

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To: All Bail Bond Agents

From: MONICA J. LINDEEN – Commissioner of Securities and Insurance,  
Montana State Auditor

Date: January 24, 2013

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### BAIL BOND AGENT CONDUCT

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The Office of the Commissioner of Securities and Insurance, Montana State Auditor (CSI), has received a significant number of complaints relating to bail bond agents in recent months. Many of the complaints center around bail bond agent's direct solicitation in and around courthouse or jail property, bond revocation, and arrests made for failure to pay on payment agreements. Additionally, the CSI has received reports that bail bond agents have obtained inmate information from jail websites and have made misrepresentations to jail personnel relating to contact from prisoners or their families. Further, complaints have been made alleging that bail bond agents have required people to wear ankle bracelets when the same was not a condition of release.

Bail bond agents are licensed insurance producers and are expected by the CSI to conduct themselves accordingly. Bail bond agents are expected to comply with the Montana Insurance Code, Mont. Code Ann. § 33-1-101, et seq. (Code).

Defendants may only be surrendered by a surety as set forth in Mont. Code Ann. §§ 46-9-503, 46-9-510.

The Code prohibits trade practices that are an unfair method of competition or deceptive act or practice in the business of insurance. Mont. Code Ann. § 33-18-102.

Additionally, the Commissioner may suspend, revoke, refuse to renew, or refuse to issue an insurance producer's license and/or may levy a civil penalty up to \$5,000 for each violation of the Code when an insurance producer "in the conduct of the affairs under the license, used fraudulent, coercive, or dishonest practices or . . . is incompetent, untrustworthy, financially irresponsible, or a source of injury and loss to the public." Mont. Code Ann. § 33-17-1001.

The CSI takes alleged violations of the Code very seriously and will take appropriate legal action when it determines that violations of the Code have occurred, including fining, suspending, or revoking the licenses of violators.

If you have any questions, please call the CSI Legal Bureau at (406) 444-2040.