MONTANA
ADMINISTRATIVE
REGISTER

COMMISSIONER OF SECURITIES AND INSURANCE
OFFICE OF THE MONTANA STATE AUDITOR

NOTICE OF PROPOSED RULEMAKING

MAR NOTICE NO. 2026-112.1

Summary

Adoption of NEW RULE 1 and amendment of ARM 6.6 4201 through 6.6.4204, 6.6.4209, and 6.6.4214 pertaining to pre-licensing training and continuing education courses for surety bail bond licensees

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Hearing Date and Time

Tuesday, June 16, 2026, at 2:00 p.m.

Hearing Information

CSI Basement Conference Room at 840 Helena Avenue, Helena, MT 59601

Virtual Hearing Information

Join: https://teams.microsoft.com/meet/212319765138663?p=l5mCfZKB5o8OkfC1Wz
Meeting ID: 212 319 765 138 663
Passcode: Z7Mg6uP6

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Video ID: 112 829 177 3

Comments

Comments on the proposed rulemaking may be submitted to the Commissioner of Securities and Insurance, Office of the Montana State Auditor using the contact information below. Comments must be received by Wednesday, June 24, 2026, at 5:00 p.m.

Accommodations

The agency will make reasonable accommodations for persons with disabilities who wish to participate in this rulemaking process or need an alternative accessible format of this notice. Requests must be made by Tuesday, June 2, 2026, at 5:00 p.m.

Contact

Erin Snyder - Deputy Insurance Commissioner
406-444-4350
CSIPublicComment@mt.gov

General Reasonable Necessity Statement

In 2023, the Montana Legislature adopted House Bill 62 to revise the laws concerning bail bonds, including creating new licensing and training requirements for surety bail bond insurance. This rulemaking package updates the existing continuing education rules to harmonize, to the extent possible, the continuing education requirements for other classes of insurance licensees with surety bail bond insurance licensees.

In 2025, the Montana Legislature adopted House Bill 726, which authorizes the commissioner to issue temporary surety bail bond insurance licenses that allow a temporary licensee to operate under the supervision of a fully licensed surety bail bond agent while completing the training requirements. The new law specifies the qualifications that the supervisor must possess, but does not define “supervision.”

In March 2026, two individuals who were issued temporary surety bail bond insurance licenses pursuant to House Bill 726 (2025) are alleged to have been involved in a fatal shooting in Missoula, Montana, of a person they were attempting to apprehend. Based on the information available at this time, it does not appear that a fully licensed surety bail bond agent was present to supervise the actions of the temporary licensees when they attempted to apprehend the individual.

House Bill 726 (2025) grants CSI broad discretion to decide whether or not to issue a temporary surety bail bond insurance license. To guide the commissioner in exercising the statutory discretion, it is necessary to adopt rules concerning the supervision of temporary surety bail bond insurance licensees. Doing so is necessary to ensure effective administration of the bail bond insurance statutes and to protect public safety and welfare.

Rulemaking Actions

AMEND

The rules proposed to be amended are as follows, stricken matter interlined, new matter underlined:

6.6.4201 SCOPE OF RULES

(1) These rules apply to continuing education programs for insurance producers, adjusters, ~~and~~ consultants, <u>and surety bail bond insurance licensees,</u> and include course content, qualifications of instructors, instructional format, courses and materials, review and approval procedures, application forms, and fees.

<u>(2)</u> <u>These rules also apply to pre-licensing training courses for bail bond insurance, including the requirements specified in 33-17-1602, MCA.</u>

Authorizing statute(s): 33-1-313, 33-17-1206, <u>33-26-108,</u> MCA

Implementing statute(s): 33-17-1203, 33-17-1204, <u>33-17-1602,</u> MCA

6.6.4202 DEFINITIONS

For the purposes of this subchapter, the following terms have the following meanings:

(1) "Accredited university or college" means an institution of higher learning that is certified by its appropriate accrediting agency to meet that agency's prescribed standards.

~~(2)~~<u>(4)</u> "~~Approved continuing education~~ ~~c~~<u>C</u>ourse" means any course, seminar or program of instruction ~~that has been approved by the commissioner~~ for presentation as part of the continuing education requirements for licensees. <u>The term also includes the training course specified in 33-17-1602, MCA, that an applicant for a surety bail bond insurance license must complete before being issued a license.</u>

~~(3)~~(2) "Biennial cycle" means the 24-month period in which required continuing education must be completed. An initial cycle may be longer than 24 months.

~~(4)~~(3) "Classroom setting" means a course format in which a body of students meets to study the same course materials under the direction of the same approved instructor.

(5) "Credit hours" means the value assigned to a course by the commissioner, upon review and approval of course materials and content outline.

(6) "Instructor" means an individual who meets the requirements set forth in ARM 6.6.4204, is identified by a sponsoring organization in a course submission, participates in course presentations, activities and discussions, and who may monitor the attendance and conduct of course participants or administer examinations.

(7) "Licensee" means an individual required to be licensed under Title 33, chapter 17, parts 2, 3, 4, ~~or~~ 5, or 16, MCA.

(8) "SBS" means the electronics system owned by the NAIC and enhanced in partnership with state insurance departments that provides a comprehensive, web-based application for use by state regulators.

~~(9)~~(10) "Significant change" means a change in two or more of the following course elements:

(a) course goals or objectives;

(b) major course topic(s);

(c) course length;

(d) syllabus or course outline;

(e) teaching method, or

(f) examination method.

~~(10)~~(9) "Self study" means those independent study methods taught outside the classroom setting through approved text, audiotape materials, videotape materials or another method of information exchange.

(11) "Sponsoring organization" means any group(s) or organization(s) and their agent(s) that submit courses for department review and offer or provide approved courses for continuing education credit to allow licensees to meet the requirements of 33-17-1203 and 33-17-1204, MCA, and are responsible for those course offerings, or any individual Montana insurance producer, adjuster, or consultant who submits a course pursuant to ARM 6.6.4203(14) for department review to allow that licensee to meet the requirements of 33-17-1203 and 33-17-1204, MCA. For purposes of

surety bail bond insurance, the applicable requirements also include the requirements stated in 33-17-1601 and 33-17-1602, MCA.

Authorizing statute(s): 33-1-313, 33-17-1206, 33-26-108, MCA

Implementing statute(s): 33-17-1203, 33-17-1204, 33-17-1601, 33-17-1602, MCA

6.6.4203 COURSE SUBMISSIONS

(1) Except as provided in (14) and ARM 6.6.4213, the following standards, by which acceptability of submitted courses should be evaluated, must all be certified by the sponsoring organization:

(a) the practical and academic experience of each faculty member is sufficient to teach the subject assigned;

(b) the course enhances the ability of a licensee to provide insurance services to the public effectively;

(c) the subject matter relates to professional ethics, where practicable.

(2) Submissions for approval of courses must include at least the following information:

(a) the name of the sponsoring organization;

(b) the title of the course;

(c) course goals and objectives;

(d) course length;

(e) a syllabus or course outline;

(f) a summary of each course outline element;

(g) method of instruction, such as classroom, self- study, videotape, audiotape, teleconference, and online webinars, etc.;

(h) method of administering examinations, if any;

(i) method of attendance verification;

(j) instructors, if any;

(k) a designated contact person; and

(l) a written explanation of examination security measures and examination administration methods.

(3) A sponsoring organization must submit each course for review and receive approval of the course prior to making that course available for enrollment by licensees. If the commissioner determines that the course content is incomplete or inadequate, the provider will be notified and required to supplement or modify the course before receiving approval.

(4) Accredited university or college courses will be allowed 15 continuing education credits for each semester credit and 10 continuing education credits for each quarter credit.

(5) Charges for courses must be clearly disclosed to students before enrollment.

(a) If a course is canceled for any reason, all charges are refundable in full~~;~~.

(b) In all instances, the charges must be refunded within 45 days of cancellation~~;~~.

(c) In the event that a continuing education provider postpones a course for any reason, the provider must give the students a choice of attending a course at a later date or having their charges refunded in full. The provider must refund the charges within 45 days of the postponement unless the student notifies the provider that the student has chosen to attend a later course~~;~~.

(d) A sponsoring organization may have a refund policy addressing a student's cancellation or failure to complete a course, as long as that policy is made clear to potential students.

(6) A sponsoring organization shall submit course completion attendance through SBS for each course participant within 30 days of the course completion. A sponsoring organization's compliance with this rule satisfies the annual reporting requirements of 33-17-1205(4), MCA.

(7) Sponsoring organizations who add qualified course instructors after a course is approved must submit the names of those instructors to the commissioner prior to the course offering.

(8) Except as provided in (15), course approval is for a period of two years following the course approval date. A course without significant changes may be renewed in a form approved by the commissioner.

(9) Sponsoring organizations must resubmit courses for new review and certification whenever significant changes in course content are made.

(10) The commissioner will only award credits for courses whose subject matter will increase the technical knowledge of insurance principles, coverages, laws or regulations. Technical knowledge includes subject areas described in 33-17-1204, MCA. For purposes of surety bail bond insurance, the subject areas should also include the subjects described in 33-17-1601 and 33-17-1602, MCA.

(11) If any credits are awarded for sales or marketing, those credits will be separately noted on the course approval document. Credits for sales or marketing may only be awarded in states that are permitted by law or regulation to accept credit for those topics. The commissioner shall award one credit for each 50 minutes of contact instruction. The commissioner will award credit hours for a self-study course based on the hours required to complete that course.

(12) The minimum number of credits that the commissioner may award is one credit.

(13) No course may be advertised as having been approved for credit by the commissioner until the sponsoring organization receives written approval from the commissioner.

(14) An individual Montana insurance producer, adjuster, ~~or~~ consultant, or surety bail bond insurance licensee who must meet the requirement of 33-17-1203, MCA, who submits a course for review and approval to meet that requirement:

(a) need not comply with (1)(a), (2)(g), (2)(k), (2)(m), (2)(p), (5)(a), (5)(b), (5)(c), (5)(d), (6), or (7) of this rule in preparing the course submission; and

(b) must submit the course no more than 45 days after the date of offering.

(15) Any credit hours assigned to a course submitted as described in (14), are available only to the producer, adjuster, ~~or~~ consultant, or surety bail bond insurance licensee who made the course submission for that offering.

Authorizing statute(s): 33-1-313, 33-17-1206, 33-26-108, MCA

Implementing statute(s): 33-17-1204, 33-17-1601, 33-17-1602, MCA

6.6.4204 QUALIFICATIONS FOR INSTRUCTORS

(1) Unless exempted by ARM 6.6.4213, instructors must meet the following qualifications for the commissioner to approve the course:

(a) hold a high school diploma or equivalent certificate; and

(b) have experience in at least one of the following:

(i) have three or more years of managerial, supervisory, technical, or teaching experience in the insurance lines the individual plans to teach;

(ii) have appropriate national designations; or

(iii) have been approved on an exception basis by the commissioner.

(2) No person will be qualified as an instructor who:

(a) has had an insurance producer~~'s~~, adjuster~~'s~~, ~~or~~ consultant~~'s~~, or surety bail bond insurance license suspended or revoked in Montana or any other state;

(b) has any outstanding fines for insurance-related disciplinary offenses imposed by the commissioner or by any regulatory authority in any other state;

(c) has been found to have violated or not complied with a provision of Title 33, MCA, during a contested case proceeding within the preceding two years; or

(d) has been found to have violated a rule, subpoena, or order of the commissioner or by any regulatory authority in any other state, during a contested case proceeding within the preceding two years.

(3) An instructor may be disqualified, if that person:

(a) has been convicted of a felony;

(b) has intentionally falsified documents filed with the commissioner;

(c) has intentionally misrepresented course approval, credit hour assignment, curriculum, or content of a course to students or prospective students;

(d) has solicited students as clients or recruited students as candidates for appointment by insurers or agencies during the instructional portion of a course offering; or

(e) has been found to have violated other applicable statutes or administrative rules.

(4) Licensees teaching or lecturing approved courses will be credited with two times the number of approved credit hours of courses they instruct.

Authorizing statute(s): 33-1-313, 33-17-1206, 33-26-108, MCA

Implementing statute(s): 33-17-1203, 33-17-1204, 33-17-1602, MCA

6.6.4209 COURSE AUDIT

(1) The commissioner or members of the commissioner's staff may audit courses approved for ~~the~~ continuing education ~~program~~ or pre-licensing training on a no-fee basis and as a regular part of course review, with or without notice to the course provider.

(2) A sponsoring organization shall provide records at the commissioner's request.

Authorizing statute(s): 33-1-313, 33-17-1206, <u>33-26-108,</u> MCA

Implementing statute(s): 33-17-1203, 33-17-1204, 33-17-1205, <u>33-17-1602,</u> MCA

6.6.4214 EXTENSIONS OF TIME FOR COURSE COMPLETION

(1) A request for an extension of time for required credit hour completion must be in writing and must include a narrative description of the reasons for the request and any available documentation to support the request. <u>An applicant for a surety bail bond insurance license may not request an extension to complete training requirements specified in 33-17-1602, MCA.</u>

(2) The licensee's licenses and appointments will remain in effect during an extension period granted by the commissioner unless the licensee terminates his or her license during that period.

Authorizing statute(s): 33-1-313, 33-17-1206, <u>33-26-108,</u> MCA

Implementing statute(s): 2-4-631, 33-17-1205, <u>33-17-1602,</u> MCA

ADOPT

The rule proposed to be adopted is as follows:

NEW RULE 1 SUPERVISION FOR TEMPORARY SURETY BAIL BOND INSURANCE LICENSEES

(1) When an applicant applies for a temporary surety bail bond insurance license pursuant to 33-17-1602, the applicant must identify an individual who is a fully licensed surety bail bond agent who will serve as the temporary licensee’s supervisor. The applicant must submit a sworn affidavit from the supervisor, using the form designated by the commissioner, that includes the following certifications:

(a) The supervisor has read and agrees to comply with the requirements of this rule and applicable laws.

(b) The supervisor agrees to supervise the temporary licensee.

(c) The supervisor agrees to assume responsibility for the actions of the temporary licensee while the individual is serving as a bail bond agent.

(d) The supervisor meets the qualifications listed in 33-17-1602(5)(a)(i) through (iii), MCA.

(e) The supervisor will immediately send a written notification to Producer Licensing at the office of the commissioner if the applicant's employment or the supervision ends.

(2) To ensure adequate supervision of temporary licensees, a licensed surety bail bond agent may only serve as the supervisor for up to two temporary licensees at once.

(3) "To operate under supervision" of a licensed surety bail bond agent, as the term is used in 33-17-1602(5)(a), MCA, means a person with a temporary surety bail bond insurance license must be in the direct physical presence of the supervisor when attempting to effect the arrest or surrender of a person pursuant to Title 46, chapter 9, MCA, or when entering a private residence. When a person with a temporary surety bail bond insurance license is performing other work that requires a license, such as issuing bonds, the person must be working under the direct control and guidance of the supervisor and be able to immediately contact the supervisor.

(4) Upon receipt of notification of termination of a temporary licensee's supervision arrangement, the temporary license is suspended until the temporary licensee enters into a new supervision arrangement that is compliant with (1). If the suspension lasts longer than five days, the supervisor must designate a replacement surety bail bond insurance agent who is in good standing with the commissioner to take over responsibility for any active surety bonds written by the suspended licensee (the supervisor may agree to be responsible for the active surety bonds). The supervisor shall provide written notice to CSI, the person released on bail, the indemnitor (if any), the relevant clerk of court, the prosecutor, and the detention facility of the name and contract information for the replacement surety bail bond insurance agent.

Authorizing statute(s): 33-1-313, 33-26-108, MCA

Implementing statute(s): 33-17-1601, 33-17-1602, MCA

Small Business Impact

With regard to the requirements of 2-4-111, MCA, CSI has determined that many bail companies in Montana qualify as small businesses, as they employ fewer than 50 full-time employees. The adoption of the above-referenced rules will apply to bail companies that employ temporary surety bail bond insurance licensees. The probable significant and direct effects of the proposed rules on small businesses are the requirement to supervise temporary licensees and the requirement to have licensing classes approved by the commissioner. The proposed rules do not directly adopt, increase, or decrease a monetary amount that a person shall pay or will receive. CSI does not expect these effects to impose probable significant and direct costs on the small businesses identified above.

Bill Sponsor Notification

Pursuant to 2-4-310, MCA, the primary bill sponsor of House Bill 726 (2025) was contacted by email on May 12, 2026.

Interested Persons

CSI maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by this agency. Persons who wish to have their name added to the list must make a written request that includes the name, e-mail, and mailing address of the person to receive notices and specifies for which program the person wishes to receive notices. Notices will be sent by e-mail unless a mailing preference is noted in the request. A written request may be mailed or delivered to the contact person noted above.

Rule Reviewer

Jack Connors

Approval

James Brown, State Auditor