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COMMISSIONER OF SECURITIES AND INSURANCE
OFFICE OF THE MONTANA STATE AUDITOR

NOTICE OF ADOPTION

MAR NOTICE NO. 2026-112.2

Summary

Adoption of NEW RULE 1 (6.6.6007) 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

Previous Notice(s) and Hearing Information

On May 22, 2026, the Commissioner of Securities and Insurance (CSI) published MAR Notice No. 2026-112.1 pertaining to the proposed adoption and amendment of the above-stated rules in the 2026 Montana Administrative Register, Issue Number 10. CSI held a public hearing on the proposed rulemaking on June 16, 2026.

Final Rulemaking Action – Effective August 8, 2026

ADOPT WITH CHANGES

The agency has adopted the following rule with changes from the original proposal, stricken matter interlined, new matter underlined:

NEW RULE 1 (6.6.6007) 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, MCA, 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) If a temporary licensee's employment or the supervision ends, the ~~The~~ supervisor ~~will~~ must immediately send a written notification, via U.S. mail or email, to Producer Licensing at the office of the commissioner and to each surety company for any bonds executed by the temporary licensee ~~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~~ Within one week of suspension, the supervising agent must send written notice, via U.S. mail or email, to Producer Licensing at the office of the commissioner, the surety company, the person released on bail, any co-signers on the bond, and the relevant clerk of court. If no supervising agent is available to provide the required notice, the surety company must send the same written notice within five business days. The notice must identify the producer who will serve as

the point of contact for each existing bond and confirm that each bond remains in full force and effect.

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

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

AMEND AS PROPOSED

The agency has amended the following rules as proposed:

6.6.4201 SCOPE OF RULES

6.6.4202 DEFINITIONS

6.6.4204 QUALIFICATIONS FOR INSTRUCTORS

6.6.4209 COURSE AUDIT

AMEND WITH CHANGES

The agency has amended the following rules with the following changes from the original proposal, stricken matter interlined, new matter underlined:

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~~ must 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, consultant, or surety bail bond insurance licensee ~~who must~~ subject to the continuing education ~~meet the~~ requirements of 33-17-1203, MCA, ~~who~~ may submit~~s~~ a course for review and approval after personally completing the course. ~~to meet that requirement:~~

(a) A self-submitted course 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 request to approve the course must be submitted no more than 45 days after the date ~~of offering~~ the person completed the course.

(15) Any credit hours assigned to a course submitted as described in (14), are available only to the producer, adjuster, 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

6.6.4214 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. An applicant for a surety bail bond insurance license may not request an extension to complete the basic course of training ~~requirements~~ specified in 33-17-1602, MCA.

(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, 33-26-108, MCA

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

Statement of Reasons

The agency has considered the comments and testimony received. A summary of the comments received, and the agency's responses are as follows:

Comment 1: A commenter suggests that proposed NEW RULE 1(8) reflects a misunderstanding of the legal nature of a surety bail bond and exceeds the commissioner's regulatory authority.

Response: It is believed the commenter is referring to NEW RULE 1(4), as the proposed rule only contains four sections. The commenter misapprehends the intent of the rule, as CSI does not intend to direct the reassignment of contractual surety obligations among private parties. CSI's intent in proposing the language in NEW RULE 1(4) is to require the supervisor to take active steps to protect the public, the judicial process, and the person released on bond when the license of a temporary licensee under the supervisor's supervision is suspended. To address any confusion, CSI has revised NEW RULE 1(4) to clarify the intent and respond to the comment.

Comment 2: A commenter suggests that the placement of pre-licensing training within ARM Title 6, chapter 6, subchapter 42, titled "Continuing Education," is a structural mismatch. The commenter suggests that future rulemaking should consider establishing a dedicated subchapter for surety bail bond pre-licensing training.

Response: ARM Title 6, chapter 6, subchapter 42 has already been re-titled “Continuing Education and Pre-Licensing Courses.” Given the similarities between continuing education courses and pre-licensing courses, CSI does not believe a separate subchapter for surety bail bond pre-licensing courses is necessary.

Comment 3: A commenter suggests that the amendment of ARM 6.6.4201 does not include transition provisions for courses or applicants currently progressing under the prior framework. The commenter requests that the commissioner add transition language clarifying how the amended rules apply to in-progress matters.

Response: Section 2-4-306(4), MCA, provides that an administrative rule is effective upon publication in the Montana Administrative Register, unless a statute or the rule provides otherwise. CSI intends for the amendment to be effective upon publication.

Comment 4: A commenter suggests that the proposed definition of “course” in the proposed amendment to ARM 6.6.4202 is grammatically broken and should be corrected. The commenter suggests revising the definition to read: “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.”

Response: The purported drafting error is not present in the Notice of Proposed Rulemaking, and the proposed text in the notice already matches the commenter’s revised language.

Comment 5: A commenter suggests that the proposed amended definition of “licensee” should be revised consistent with standard MCA citation conventions used elsewhere in the rule.

Response: The purported drafting error is not present in the Notice of Proposed Rulemaking, and the proposed text in the notice already matches the commenter’s revised language.

Comment 6: A commenter suggests that the amended definition of “sponsoring organization” in ARM 6.6.4202(11) introduces a dual compliance burden by requiring sponsoring organizations to satisfy both the general continuing education statutes (33-17-1203 and 33-17-1204, MCA) and the bail-bond-specific statutes (33-17-1601 and 33-17-1602, MCA). The commenter states the amendment does not specify how these requirements interact when they overlap, and requests clarifying language confirming that the bail-bond-specific requirements are additive to, rather than in derogation of, the general requirements.

Response: CSI appreciates the comment, but the proposed rule already states that both sets of requirements apply to surety bail bond insurance.

Comment 7: A commenter suggests that the use of the word "should" in ARM 6.6.4203(10), as amended, is inconsistent with the mandatory and declarative language used elsewhere in the rule. The commenter suggests that "should" be replaced with "also includes" to read: "For purposes of surety bail bond insurance, the subject areas also include the subjects described in 33-17-1601 and 33-17-1602, MCA."

Response: CSI appreciates the comment, and the final rule uses the word "must" instead of "should."

Comment 8: A commenter suggests the amended language in ARM 6.6.4203(14) extends the existing self-submission pathway to surety bail bond insurance licensees and exempts those licensees from the same submission requirements that apply to producers, adjusters, and consultants who use the self-submission pathway. The commenter requests that the commissioner confirm that this importation of pre-existing exemptions has been independently evaluated against the bail bond context, with particular attention to whether any of the exempted requirements serve substantive public-protection purposes that apply with greater force in surety bail bond practice.

Response: CSI appreciates the comment. The intent of the amended rule is to apply the same standard to surety bail bond insurance producers as it applies to other classes of licensed professionals listed. However, in reviewing the comment, CSI has determined that when ARM 6.6.4203 was previously amended, some of the internal cross-references were not updated. Further, the comment indicates that the text of the rule could be clarified. The final rule addresses these non-substantive changes.

Comment 9: A commenter suggests the self-submission pathway in ARM 6.6.4203(14) would benefit from a minimum substantive content requirement specific to surety bail bond submissions, to ensure that self-submitted courses provide meaningful training rather than perfunctory submissions for credit purposes.

Response: CSI appreciates the comment; however, the substantive content requirements are addressed in other statutes and rules, including 33-17-1204, MCA, and ARM 6.6.4203(10).

Comment 10: A commenter states the 45-day deadline in ARM 6.6.4203(14)(b) is measured from "the date of offering," but "offering" is not defined. The commenter requests that the commissioner clarify whether each presentation of a course constitutes a separate offering for purposes of the 45-day deadline.

Response: CSI appreciates the comment. The rule has been revised to more clearly state the course must be submitted for approval no more than 45 days after the person attended the course.

Comment 11: A commenter states the first disqualifier in ARM 6.6.4204(2) operates without a temporal limit, while the remaining three disqualifiers apply only to actions within the preceding two years. The commenter suggests that the first disqualifier be aligned with the lookback period used in the other disqualifiers, or that the rule expressly provide a reinstatement pathway for instructors whose prior disciplinary issues have been resolved.

Response: Currently, ARM 6.6.4204(2)(a) states that a person is not qualified as an instructor if the person has had an insurance producer, adjuster, or consultant license suspended or revoked in Montana or any other state. The proposed amendment simply adds surety bail bond licensees to the list. CSI does not believe it would be appropriate to change or further modify the rule as part of this rulemaking process since the probation applies to all classes of licensees, not just bail bond licensees.

Comment 12: A commenter states the cross-jurisdictional reach of the first disqualifier in ARM 6.6.4203(2), "Montana or any other state," sweeps in actions taken under widely varying state standards. The commenter suggests that the rule be amended to require that the other-state action be substantially equivalent in nature and severity to a Montana-grounds suspension or revocation.

Response: As noted above, CSI does not believe it would be appropriate to change the general rule applicable to all classes of licensees as part of a rulemaking specific to bail bond licensees.

Comment 13: A commenter states the relationship between ARM 6.6.4204 and the self-submission pathway in ARM 6.6.4203(14) is unclear. The commenter requests clarification of whether a licensee who self-submits a course they personally developed and presented is treated as an "instructor" subject to the disqualifiers in (2).

Response: This comment addresses the current text of the rules and not the proposed amendments. Thus, this comment is beyond the scope of the rulemaking. CSI notes, however, that a person who self-submits a course under ARM 6.6.4203(14) is not considered the "instructor" unless that person is also the instructor for the course.

Comment 14: A commenter states it does not object to the extension of the Commissioner's existing audit authority in ARM 6.6.4209 to pre-licensing training. The commenter suggests, however, that the rule does not specify the standards by which courses are evaluated during an audit. The commenter requests that audit standards be added, by reference if not in text.

Response: This comment addresses the current text of the rule and not the proposed amendments. Thus, this comment is beyond the scope of the proposed rulemaking.

Comment 15: A commenter states the existing language in ARM 6.6.4209 does not provide a procedure for sponsoring organizations or course providers to respond to adverse audit findings or to appeal those findings. The commenter requests that an appeal procedure be added.

Response: This comment addresses the current text of the rule and not the proposed amendments. Thus, this comment is beyond the scope of the proposed rulemaking. CSI notes that ARM 6.6.4212 allows a sponsoring organization to request reconsideration of a course disapproval.

Comment 16: A commenter states the existing language in ARM 6.6.4209, "with or without notice," presumably authorizes surprise audits during live training sessions. The commenter requests that the rule be amended to require advance notice for audits conducted during live training delivery, while preserving the without-notice authority for records audits and materials reviews.

Response: This comment addresses the current text of the rule and not the proposed amendments. Thus, this comment is beyond the scope of the proposed rulemaking.

Comment 17: A commenter states the existing language in ARM 6.6.4209 does not limit the frequency with which a course may be audited. The commenter requests reasonable frequency limitations.

Response: This comment addresses the current text of the rule and not the proposed amendments. Thus, this comment is beyond the scope of the proposed rulemaking.

Comment 18: A commenter states that the amended language in ARM 6.6.4214 creates a categorical denial of extensions for surety bail bond pre-licensing training. The commenter states that this creates significant operational and equitable problems and should be replaced with a narrow hardship exception.

Response: CSI appreciates the comment; however, 33-17-1602(8), MCA, states "[a]n applicant for a surety bail bond insurance license shall complete the training required by this section within 12 months after the date the applicant is employed by a licensed surety bail bond agent," and a temporary license "may not be renewed." Thus, CSI does not have the authority to extend the statutory deadlines. That said, to address the commenter's concerns, the final rule is revised to clarify that the probation on an extension only applies to the basic course of training requirements specified in 33-17-1602, MCA.

Comment 19: A commenter states that the amended language in ARM 6.6.4214 would deny any extension request from a surety bail bond applicant, regardless of the circumstances. The commenter states that this is harsher than the standards applicable to any other category of insurance licensee, and suggests that a documented medical incapacity, military deployment, family emergency, or unavailability of approved course offerings would not justify any accommodation under the rule as proposed. The commenter submits that this rigidity is not required by the underlying statute and produces unjust results in legitimate cases.

Response: As noted above, 33-17-1602(8), MCA states "[a]n applicant for a surety bail bond insurance license shall complete the training required by this section within 12 months after the date the applicant is employed by a licensed surety bail bond agent," and a temporary license "may not be renewed." Thus, CSI does not have the authority to extend the statutory deadlines.

Comment 20: A commenter states the temporary license framework established by House Bill 726 (2025) contemplates that an applicant operates under a temporary license while completing pre-licensing training. If, due to circumstances beyond the applicant's reasonable control, training cannot be completed within the temporary license period and no extension is available, the applicant must surrender the temporary license and abandon all active operations. The commenter suggests that this was almost certainly not be the legislative intent. The commenter proposed amended language that would allow an applicant for a surety bail bond insurance license to request an extension to complete training requirements specified in 33-17-1602, MCA, upon a showing of extraordinary circumstances beyond the applicant's reasonable control, including documented medical incapacity, military deployment, or unavailability of approved course offerings.

Response: As noted above, 33-17-1602(8), MCA, states "[a]n applicant for a surety bail bond insurance license shall complete the training required by this section within 12 months after the date the applicant is employed by a licensed surety bail bond agent," and a temporary license "may not be renewed." Thus, CSI does not have the authority to extend the statutory deadlines.

Comment 21: A commenter states that this rulemaking is appropriately focused on the supervision of temporary licensees and on integration of bail bond licensees into the existing continuing education framework. The commenter, however, states that several aspects of the surety bail bond profession remain unaddressed by the current administrative rules. The commenter requests that the commissioner consider, either through expansion of the current proceeding or by opening a parallel rulemaking proceeding, to address additional topics proposed by the commenter.

Response: CSI intends to limit the current rulemaking to the topics addressed in the notice of proposed rulemaking.

Comment 22: During the hearing on June 16, 2026, a commenter expanded on the topics raised in the comments above and provided a handout to explain the proposed changes.

Response: CSI appreciates the comments during the hearing and has responded to the commenter's comments in the responses above.

Comment 23: During the hearing on June 16, 2026, two additional commenters expressed support for the recommendation suggested by the commenter mentioned above.

Response: CSI thanks the commenters for their participation and input.

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Approval

James Brown, State Auditor