

## **Licensing Requirements, Pre-Education, Appointments**

Under Louisiana law (La. R.S. 22:1574) a person seeking to become a resident individual insurance producer for the line of bail bond is required to first participate in the Bail Bond Apprentice Program.

The Bail Bond Apprentice Program is comprised of six consecutive months of employment with a Louisiana licensed bail bond producer (supervising producer) during which the apprentice is required to work no less than twenty-four hours per week. During that time the apprentice is to observe the supervising producer perform every phase of the bail bond business and to perform all of those phases except for the solicitation, negotiation, quotation of fees and execution of the bail bonds.

The apprentice must be employed and paid by the supervising bail bond producer and the supervising producer is required to maintain records including time sheets and payroll information about that employment. This information is subject to examination and review by the Department of Insurance. The apprentice may not be paid commissions on insurance business written by the supervising producer and may not engage in any activity for which an insurance producer license is required. A person who has been convicted of any felony is prohibited from participating in the Bail Bond Apprentice Program.

Before the end of the Apprentice Program the apprentice must complete the prelicensing education course. After completion of the prelicensing course, the apprentice must submit an application for license to the Department and schedule and sit for the required examination within thirty days of the completion of the Apprentice Program.

After submission of the application form to the Department the apprentice and the supervising producer must complete the Bail Bond Apprentice Program Affidavit and submit it directly to the Department of Insurance. No person will be allowed to sit for the required examination until the Affidavit has been completed and submitted to the Department of Insurance.

An applicant for a resident insurance producer license for the line of bail bond will also be subject to the fingerprinting requirements.

### **§1574. Bail Bond Apprentice Program**

A.(1) The Bail Bond Apprentice Program is hereby created.

(2) The Bail Bond Apprentice Program shall be available only to persons who meet current bail producer licensing requirements as provided for in Chapter 5 of this Title and who have not been convicted of a felony.

(3) Apprentices shall complete the registered insurance producer and bail producer prelicensing program as provided for in R.S. 22:1571 before the end of the apprenticeship program.

B. The Bail Bond Apprentice Program shall consist of six consecutive months of employment by a Louisiana Department of Insurance licensed bail producer. The apprentice

shall be supervised by the producer during the six-month period and work for no less than twenty-four hours per week. The apprentice shall observe the bail producer, perform every phase of the bail bond business, and shall perform duties in every phase of the bail bond business except for the solicitation, negotiation, quotation of fees, and the execution of a bail bond.

C. The supervising bail producer shall maintain records to support that the apprentice has worked the required number of hours. These records shall include time sheets and pay stubs, and shall be made available for examination and review to the Department of Insurance upon request.

D.(1) Upon completion of the required six months of work experience, without expulsion, the apprentice and the supervising bail producer shall certify, on a form provided by the Department of Insurance, that the apprentice has completed all of the requirements of the apprentice program. This form shall be a notarized sworn affidavit, completed under penalty of perjury.

(2) No person shall be permitted to sit for an examination as a bail bond producer until completion of this apprenticeship program and until the required certification of the completion has been submitted to the Department of Insurance along with the required application for testing and licensure.

E. The program created by the provisions of this Section shall be subject to the provisions of this Title, and nothing in this Section shall be interpreted to permit the payment of commissions to an unlicensed producer.

Acts 2010, No. 731, §1.

**§4903. Definitions**

A. The following terms when used in this Chapter shall have the following meanings.

*Bail Bond Agent*—a person, corporation, or partnership which holds an insurance agent or solicitor license and who is authorized to provide surety in Louisiana, and/or engages in the apprehension and return of persons who are released on bail or who failed to appear at any state of the proceedings to answer the charge before the court in which they may be prosecuted. For purposes of this regulation a bail recovery agent is synonymous with a bail bond agent.

*Bail Enforcement*—the apprehension or surrender of a principal by a natural person who is released on bail or who has failed to appear at any state of the proceedings to answer the charge before the court in which he may be prosecuted.

*Bail Solicitor*—an individual who holds an insurance license and is authorized by a duly licensed bail bond agent to solicit contracts of bail bond insurance and engages in bail enforcement, solely on behalf of the licensed bail bond agent.

*Commissioner*—the Louisiana Commissioner of Insurance.

*Department*—the Louisiana Department of Insurance.

*Insurer*—any domestic or foreign insurance corporation or association engaged in the business of insurance or suretyship which has qualified to transact surety or casualty business in this state.

**§4905. Bail Recovery Agent License Requirements for Louisiana**

A. In order to engage, to transact, or assist in the apprehension or surrender of a principal, a person must be a duly licensed bail bond agent or solicitor, pursuant to Part XXIV and Part XXV-A of the Louisiana Insurance Code.

1. Prelicensing

a. On and after May 1, 1999, all persons applying for a bail bond agent or solicitor license must complete eight hours of supervised instruction approved by the department, four hours of which, must be instruction in bail enforcement.

2. Continuing Education Program

a. Persons holding a valid bail bond agent or solicitor license must complete 12 hours of a continuing education program, approved by the department, every two year licensing period, four hours of which must be instruction in bail enforcement. On or before January 1 of every odd numbered year, all duly licensed bail bond agents shall have completed 12 hours of continuing education described in this Section.

3. On and after May 1, 2000, no person shall engage in the bail bond insurance business, including enforcement and bail recovery activities, unless such person is duly licensed bail bond agent or solicitor pursuant to Part XXIV and Part XXV-A of the Louisiana Insurance Code.

**§4907. Bail Recovery Persons License Requirement from Other States**

A. Bail recovery persons from other states must be duly authorized to transact bail enforcement or be a licensed bail bond agent in the state where the bond was written and shall act in association with a local bail agent duly licensed by the Louisiana Department of Insurance to transact bail enforcement in this state.

**§4909. Out of State Bail Enforcement Procedure and Notification Requirements**

A. In order for a bail recovery person from another state to transact a surrender or apprehension of a principal in Louisiana, the following shall be done.

1. Before conducting surrender or apprehension of a principal, the bail recovery person(s) from other states shall notify the local law enforcement.

2. Bail recovery persons from other states must have in their possession certified copies of material needed to identify the principal. Said materials shall be:

a. a judgement of bond forfeiture or court order of failure to appear and/or certified copy of bond and/or the agent's duly executed copy of the contract;

b. a photograph of the principal; and

c. documentation reflecting that person is duly authorized to transact bail enforcement by the state where the bond was written.

**§4911. In State Bail Enforcement Procedure and Notification Requirement**

A. In order to transact a surrender or apprehension of a principal, the following shall be done.

1. Before conducting a surrender or apprehension of a principal, the bail bond agent or solicitor shall notify the local law enforcement in the parish or city where the principal is sought unless exigent circumstances exist.

2. The bail bond agent or solicitor shall be required to wear identifying clothing before transacting a surrender or an apprehension in a private residence.

**§4913. Prohibited Acts**

A. No licensed bail agent or solicitor shall improperly withhold, misappropriate, fail to timely remit premiums and reports of bonds written, or convert to one's own use any monies belonging to principals, sureties and underwriters, or others possessed in the course of the business of insurance.

B. No licensed bail agent or solicitor shall perform bail enforcement in pursuit of any principal released on bail for nonpayment of premium. The surrender of a principal in violation of this Subsection shall entitle the principal to the return of any premium paid.

C. No licensed bail agent or solicitor shall remove or have removed any bail bond power of attorney from the clerk of court or sheriff.

D. No licensed bail agent or solicitor shall transact or engage in the surrender or apprehension of a principal with the assistance of an unlicensed person.

E. No commercial surety shall fail to timely pay bond forfeiture claims that meet the requirements of R.S. 22:658.1.A.

**§4915. Enforcement of Regulation**

A. The commissioner is vested with the authority to enforce this regulation. The department may conduct investigations or request other state, parish or local officials to conduct investigations.

B.1. Violations of this Section are governed by Part XXIV (Qualification and License Requirements for Insurance Agents, Brokers, Surplus Lines Brokers and Solicitors) and XXVI (Unfair Trade Practices) of the Louisiana Insurance Code.

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2. The commissioner shall impose penalties, sanctions or fines as delineated in Part XXIV and XXVI of the Louisiana Insurance Code. The commissioner may seek contained herein that results in a public harm.

C. The commissioner may promulgate such rules and regulations as may be deemed necessary for the enforcement of this regulation. The department shall impose penalties, sanctions or fines as delineated in the Louisiana Insurance Code and collect such fines as necessary for the enforcement of such rules and regulations.

### **§4917. Effective Date**

A. This regulation shall become effective on final publication in the April 1999 *Louisiana Register*.