



## Insurance Department

TODD E. KISER  
*Insurance Commissioner*

**State of Utah**  
GARY R. HERBERT  
*Governor*

SPENCER J. COX  
*Lieutenant Governor*

### **BULLETIN 2016-DRAFT**

**TO:** All Bail Bond Surety Companies

**FROM:** Todd E. Kiser, Utah Insurance Commissioner

**DATE:**

**SUBJECT:** “Cash Only Bail”

The purpose of this Bulletin is to highlight the fact that for criminal bail, Utah licensed bail bond agencies may not sell “cash only” bail contracts, post “cash only” bail, or loan money to defendants for cash bail.

The Utah Department of Insurance (“Department”) has reason to believe that a few bail bond sureties and bail bond producers may be selling, soliciting or negotiating “cash only” bail contracts.

Under Utah Code Annotated §31A-35-402(1) “**A bail bond agency may only sell bail bonds**”. In cases of “cash only” bail, where a sum of money is paid into court by a criminal defendant, or on the defendant’s behalf, it is the court deposited cash that secures the defendant’s court appearance.

According to Utah Code Annotated §31A-35-102(1) a bail bond is a bail bond insurance product for a specific monetary amount that is executed by a bail bond agency, as surety for a criminal defendant, and issued to a court as security for the defendant’s subsequent court appearance. Thus, a bail bond surety may only post bail by this method of a written bail bond undertaking to act as a surety for a criminal defendant.

Forms used by bail bond sureties and bail bond producers shall not incorporate language referring to “cash only” bonds. The Department will prohibit this language in all bail bond forms. Bail bond sureties and bail bond producers are strongly cautioned that the Department intends to aggressively pursue enforcement actions against those licensees that engage in prohibited “cash only” bail transactions.

Please contact Cathy Burton, Market Conduct Examiner, by phone at (801) 537-9113 or by email at [caburton@utah.gov](mailto:caburton@utah.gov) regarding this bulletin or Kathy Stajduhar, Property/Casualty Rate/Form Analyst at (80) 538-3822 or by email at [kstajduhar@utah.gov](mailto:kstajduhar@utah.gov) regarding forms.

DATED this    day of October, 2016.

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Todd E. Kiser  
Insurance Commissioner