

***New Jersey  
State Commission of Investigation***



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**Contact: Lee Seglem, SCI  
609-292-6767**

**SCI EXPOSES  
QUESTIONABLE AND ABUSIVE  
BAIL-BOND PRACTICES**

TRENTON – New Jersey’s bail-bond industry has been thoroughly subverted by questionable and improper practices, including the widespread use and compensation of jailed criminal defendants as “runners” to drum up business behind bars, the State Commission of Investigation reveals in a report issued today.

The SCI report also details privately negotiated discount bail-bond deals that undermine judicial bail orders, putting serious offenders back on the street for a few hundred dollars or less. One individual freed under such circumstances last winter was a convicted felon who went on to be accused of murder in a fatal carjacking at the Short Hills Mall two weeks after gaining release from jail for \$200 on burglary charges via a cut-rate installment plan offered by a commercial bail-bond agency.

“The bail-bond system in New Jersey is highly prone to subversion by unscrupulous and improper practices that make a mockery of the public trust,” the report states. “Operating in the shadows of poor government oversight, the system is dominated by an amalgam of private entrepreneurs who profit from the process but are subject to weak controls easily manipulated or ignored with little or no consequence.”

The SCI found instances in which bail-bond agencies are operated by unlicensed individuals, some with extensive criminal records. These include former agents who forfeited bail licenses or registrations for engaging in illegal or improper activity but returned to the business using various subterfuges. In some case, these unlicensed agents have operated in the industry for years, continuing to engage in the same abuses that led to their expulsion in the first place.

Apart from these issues, the Commission also found that New Jersey’s counties collectively are not collecting tens of millions of dollars in forfeited bails they are legally entitled and empowered to recover annually after defendants fail to appear for required judicial proceedings.

“During the course of this investigation, prosecutors, judges and jail personnel expressed mounting frustration with the distorted state of affairs that characterizes New Jersey’s current bail system,” according to the report. “If the State is going to continue to allow commercial bail-bond agencies to operate within that system, it must establish appropriate statutory, regulatory and administrative controls to hold those entities accountable.”

With considerable attention already focused on efforts to overhaul key elements of New Jersey’s bail system in general, the Commission in its recommendations calls for those efforts to be enhanced with explicit reforms to the operations and regulation of the bail-bond industry, including proposals to:

- Reorganize bail-bond licensing, oversight and enforcement and move responsibility for those tasks from the Department of Banking and Insurance to the Department of Law and Public Safety.
- Criminalize violations of licensure.
- Reform, regulate and require disclosure of discount bail-bond deals.
- Establish uniform bail-agent access rules for county jails.
- Streamline the bail forfeiture recovery process.
- Enhance consumer protection in the bail-bond industry.



*The State Commission of Investigation is an independent New Jersey watchdog agency established in 1968 to investigate organized crime and corruption, waste of tax money and other abuses of the public trust. Copies of public reports are available at the Commission’s offices or via its Web site at [www.state.nj.us/sci](http://www.state.nj.us/sci).*