STATE OF NORTH DAKOTA

BEFORE THE INSURANCE COMMISSIONER

In the Matter of	)	
	)	
Robert Lewis Heier, doing business as Robert Lewis Dakota Bond & Tracking Services and Robert Lewis Maple Valley Contracting, NPN 16206441,	)	**CEASE AND DESIST ORDER**
	)	**CASE NO. AG-14-465**
Respondent.	)	

TO: Robert Lewis Heier, 4907 114th Avenue SE, Kathryn, ND 58049

Insurance Commissioner Adam Hamm ("Commissioner") has determined as follows:

1. N.D.C.C. § 26.1-01-03.1 authorizes the Commissioner to issue an Order to cease and desist when it appears that any person or business entity is or has engaged in an act or practice which violates or may lead to a violation of Title 26 of the North Dakota Century Code.

2. N.D.C.C. ch. 26.1-26.6 regulates the licensing and conduct of bail bond agents.

3. Robert Lewis Heier, doing business as Robert Lewis Dakota Bond & Tracking Services and Robert Lewis Maple Valley Contracting, NPN 16206441 ("Respondent"), is presently and has been at all times pertinent to this action a licensed North Dakota resident insurance producer with the line of authority for bail bonds.

4. N.D.C.C. § 26.1-26.6-01 defines "bail bond agent" as follows:

> As used in this chapter, unless the context otherwise requires, "bail bond agent" means any person who has been licensed by the commissioner and appointed by an insurer

> by power of attorney to execute or countersign bail bonds for the insurer in connection with the judicial proceedings and charges and receives money for the services.

(emphasis added)

5. N.D.C.C. § 26.1-26.6-04 states:

> A person may not act in the capacity of a bail bond agent or perform any of the functions, duties, or powers prescribed for a bail bond agent under this chapter unless that person is qualified and licensed as provided in this chapter.... Violation of this section is a class B misdemeanor.

6. N.D.C.C. § 26.1-26.6-05(2) states:

> A bail bond agent or bail bond agency may not advertise as or hold itself out to be a surety company.

7. The Commissioner has a reasonable basis to believe that the Respondent has engaged in, is engaging in, or is about to engage in, an act or practice as more fully described below which violates or may lead to a violation of N.D.C.C. title 26.1. It is necessary and appropriate in the public interest and for the protection of insurance consumers and the public to restrain these acts or practices of Respondent.

8. Respondent has held a North Dakota resident insurance producer license since April 27, 2011. Respondent has not held an appointment with any insurer at any time during his North Dakota licensure.

9. The Commissioner has come into information which alleges that Respondent has acted in the capacity of a bail bond agent and has performed the functions, duties, or powers prescribed for a bail bond agent under N.D.C.C. ch. 26.1-26.6 without being licensed and appointed with an insurer. Specifically, it is alleged Respondent has executed at least 19 bail bonds in 4 North Dakota counties without holding an appointment by an insurer as required by N.D.C.C. §§ 26.1-26.6-01and 26.1-26.6-04. This conduct occurred beginning in August 2011 and continuing at least until

April 7, 2014.

10. The Commissioner has come into information which alleges that Respondent has held himself out to be a surety company, in violation of N.D.C.C. § 26.1-26.6-05(2).

11. According to information obtained during the course of an investigation by the North Dakota Insurance Department ("Department"), on or about August 19, 2011, Respondent executed a bail bond securing the appearance of defendant D.W. in Burleigh County District Court in Case No. 08-2011-CR-01466. The bail bond amount was $10,000. The bail bond document signed by Respondent recites Respondent's business name "Dakota Bond & Tracking Services" on the bail bond document and on an accompanying document captioned "Power of Attorney". Neither the bail bond document nor the Power of Attorney shows any insurer as part of the transaction.

12. The Power of Attorney document in the D.W. bail bond transaction recites in part:

> That we, Dakota Bond and Tracking Services, <u>as Surety</u> are held firmly bound unto the city, county, or state court in the sum of TEN THOUSAND Dollars ($10,000)....

(emphasis added) By using this language, Respondent has held himself out to be a surety company, in violation of N.D.C.C. § 26.1-26.6-05(2).

13. According to information obtained during the course of an investigation by the Department, on or about February 2, 2012, Respondent executed a bail bond securing the appearance of defendant R.J. in Ward County District Court in Case No. 51-2012-CR-00557. The bail bond amount was $2,500. The bail bond document signed by Respondent recites Respondent's business name "Dakota Bond & Tracking Services" on the bail bond document and on an accompanying document captioned

"Power of Attorney". Neither the bail bond document nor the Power of Attorney shows any insurer as part of the transaction.

14. The Power of Attorney document in the R.J. bail bond transaction recites in part:

> That we, Dakota Bond and Tracking Services, as Surety are held firmly bound unto the city, county, or state court in the sum of FIVE HUNDRED Dollars ($500.00)....

(emphasis added) By using this language, Respondent has held himself out to be a surety company, in violation of N.D.C.C. § 26.1-26.6-05(2).

15. According to information obtained during the course of an investigation by the Department, on or about November 29, 2013, Respondent executed a bail bond securing the appearance of defendant D.G. in Ward County District Court in Case No. 51-2014-CR-02707. The bail bond amount was $40,000. The bail bond document signed by Respondent recites Respondent's business name "Dakota Bond & Tracking Services" on the bail bond document and on an accompanying document captioned "Power of Attorney". Neither the bail bond document nor the Power of Attorney shows any insurer as part of the transaction.

16. The Power of Attorney document in the D.G. bail bond transaction recites in part:

> That we, Dakota Bond and Tracking Services, as Surety are held firmly bound unto the city, county, or state court in the sum of Forty Thousand dollars ($40,000) ...

(emphasis added) By using this language, Respondent has held himself out to be a surety company, in violation of N.D.C.C. § 26.1-26.6-05(2).

17. Defendant D.G., while out on bond, violated a condition of the bond on or about December 18, 2013, resulting in a bench warrant being issued January 14, 2014,

for D.G.'s immediate arrest. Dakota Bond & Tracking Services wrote to the District Court on or about February 26, 2014, describing D.G. as having a "violent nature" and referring to "the danger of his actions." The bond illegally written by Respondent allowed a violent and dangerous person to be released from custody into the community.

18. According to information obtained during the course of an investigation by the Department, on or about April 7, 2014, Respondent executed a bail bond securing the appearance of defendant B.Z. in Morton County District Court in Case No. 30-2014-CR-00335. The bail bond amount was $1,500. The bail bond document signed by Respondent recites Respondent's business name "Dakota Bond & Tracking Services" on the bail bond document and on an accompanying document captioned "Power of Attorney". Neither the bail bond document nor the Power of Attorney shows any insurer as part of the transaction.

19. The Power of Attorney document in the B.Z. bail bond transaction recites in part:

> That we, Dakota Bond and Tracking Services, <u>as Surety</u> are held firmly bound unto the city, county, or state court in the sum of One Thousand Five Hundred Dollars ($5,000) [sic]...

(emphasis added) By using this language, Respondent has held himself out to be a surety company, in violation of N.D.C.C. § 26.1-26.6-05(2).

20. Respondent wrote additional bonds in North Dakota, the details of which are not set out here, by which Respondent violated N.D.C.C §§ 26.1-26.6-01, 26.1-26.6-04, and 26.1-26.6-05(2) due his lack of appointment by an insurer and the holding out of himself as a surety company.

21. Respondent's conduct as set out above violates N.D.C.C §§ 26.1-26.6-01, 26.1-26.6-04, and 26.1-26.6-05(2).

NOW, THEREFORE, IT IS HEREBY ORDERED pursuant to N.D.C.C. § 26.1-01-03.1 that Respondent, whether acting in the State of North Dakota as a bail bond agent or otherwise engaging in the business of insurance, either directly or indirectly through named and unnamed persons, entities, agents, or otherwise, shall immediately **CEASE AND DESIST** from soliciting, transacting, or otherwise engaging in the business of insurance including bail bonds.

IT IS FURTHER ORDERED pursuant to N.D.C.C. § 26.1-01-03.1 that Respondent may make a written request for a hearing on this matter within 30 days of the date of this Order.

If the Respondent fails to request a hearing in writing within 30 days after being served with a copy of this Cease and Desist Order, the Commissioner shall make the Cease and Desist Order permanent, as the facts require.

DATED this 15th day of April, 2014.

Adam Hamm
Commissioner
North Dakota Insurance Department
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Bismarck, ND 58505
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