
SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

AB 1927 (Krell) - Bail Consumer Protection Act

Version: June 25, 2026

Urgency: No

Hearing Date: August 3, 2026

Policy Vote: PUB. S. 6 - 0

Mandate: Yes

Consultant: Bob Franzoia

Bill Summary: AB 1927, the Bail Consumer Protection Act, would make it a misdemeanor for any person to impersonate, or falsely hold themselves out to be, a licensed bail agent, and while doing so solicits or attempts to solicit bail from any individual.

Fiscal Impact: Estimated \$110,000 in FY 2026-27, \$240,000 in FY 2027-28 and \$200,000 in FY 2028-29 annually, ongoing to the Department of Insurance to investigate complaints involving bail agents. (Insurance Fund)

Unknown costs to the counties to incarcerate if a one year misdemeanor sentence is imposed. The average annual cost to incarcerate one person in county jail is approximately \$80,000. In 2021 Los Angeles County budgeted \$1.3 billion for jail costs with \$90,000 per incarcerated person. Generally, county incarceration costs are not reimbursable state mandates pursuant to Proposition 30 (2012).

Potentially significant costs to the courts to adjudicate new penalties depending on the numbers of people charged and the factors unique to each case. An eight-hour court day costs approximately \$10,500 based on the hourly rate of court personnel including at minimum the judge, clerk, bailiff, court reporter, jury administrator, administrative staff, and jury per-diems. While the courts are not funded on a workload basis, an increase in workload could result in delayed court services and increase pressure to fund additional staff and resources. The FY 2026-27 Budget appropriated \$70 million General Fund for this purpose (Trial Court Trust Fund, General Fund).

Background: Bail is a contract for the release of a person from jail upon a promise to appear at future court hearings. The promise is backed by a bond issued through a bail agent, and a bailed defendant is in the custody of the bail agent. Bail agents are licensed and regulated by the California Department of Insurance (CDI). Bail agents are prohibited from soliciting persons in jails or detention facilities, from obtaining arrest information through arrangements with jail inmates or law enforcement, and from soliciting an arrestee or their family before receiving a bona fide request for services. In 2023, the California Supreme Court upheld CDI's authority to enforce these restrictions, finding that the prohibition on bail agents obtaining inside information about new arrestees was a valid, narrowly tailored restriction on commercial speech. Despite these existing regulations, this bill contends that modern practices, particularly automated scraping of booking data combined with commercial data broker services to identify and contact family members, have outpaced the existing regulatory framework.

Proposed Law: This bill adds Penal Code 538j which states:

A person who willfully impersonates, or falsely holds themselves out to be, a licensed bail agent, and while doing so solicits or attempts to solicit bail from any individual, is guilty of a misdemeanor, punishable by imprisonment in a county jail not to exceed one year, by a fine not to exceed \$1,000 or by both.

Staff Comments: The Insurance Code states that a person shall not solicit bail in California without a bail agent license. Further, solicitation of bail in California without a bail agent license is punishable by a fine not exceeding \$10,000 and/or by imprisonment for up to a year in state prison or county jail.

By establishing in the Penal Code willful impersonation of a bail agent while soliciting bail as a new misdemeanor that is punishable by a fine not exceeding \$1,000 and/or by imprisonment for up to a year in county jail, this bill would provide a major reduction of the punishment currently set forth in the Insurance Code.

Current law prohibits impersonating a bail agent and requires that only licensed bail agents may solicit or negotiate the undertaking of bail. This bill may potentially reduce criminal penalties by removing the possibility of an impersonator facing felony charges in one specific situation where an unlicensed individual intentionally impersonates a bail licensed bail agent.