

THIRD READING

Bill No: AB 1927
Author: Krell (D)
Amended: 8/20/26 in Senate
Vote: 21

SENATE PUBLIC SAFETY COMMITTEE: 6-0, 6/23/26
AYES: Arreguín, Seyarto, Caballero, Cortese, Pérez, Wiener

SENATE APPROPRIATIONS COMMITTEE: 6-0, 8/13/26
AYES: Cervantes, Seyarto, Cabaldon, Dahle, Grayson, Richardson
NO VOTE RECORDED: Wahab

ASSEMBLY FLOOR: 78-0, 5/26/26 - See last page for vote

SUBJECT: Bail Consumer Protection Act

SOURCE: California Bail Agents Association

DIGEST: This bill makes it a crime for any person to willfully impersonate, or falsely hold themselves out to be, a licensed bail agent, and while doing so solicit or attempt to solicit bail from any individual, or to hire any person or company to solicit bail when the hiring party knew or should have known that the person or company was impersonating a licensed bail agent.

Senate Floor Amendments of 8/20/26 strike the existing penalty and instead impose penalties set forth in the Insurance Code for related crimes, and expand the crime to include hiring another party or company to engage in the solicitation of bail, as specified.

ANALYSIS:

Existing law:

- 1) Prohibits excessive bail. (California Constitution (Cal. Const.), Art. I, §§ 12, 28(f)(3).)

- 2) Provides that a person shall be released on bail by sufficient sureties, except for:
 - a) Capital crimes when the facts are evident or the presumption great;
 - b) Felony offenses involving acts of violence on another person, or felony sexual assault offenses on another person, when the facts are evident or the presumption great and the court finds based upon clear and convincing evidence that there is a substantial likelihood the person's release would result in great bodily harm to others; or
 - c) Felony offenses when the facts are evident or the presumption great and the court finds based on clear and convincing evidence that the person has threatened another with great bodily harm and that there is a substantial likelihood that the person would carry out the threat if released. (Cal. Const., Art. I, § 12.)
- 3) Provides that in setting, reducing or denying bail, the judge or magistrate shall take into consideration the protection of the public, the safety of the victim, the seriousness of the offense charged, the previous criminal record of the defendant, and the probability of his or her appearing at the trial or hearing of the case. Public safety and the safety of the victim shall be the primary considerations. A person may be released on his or her own recognizance (OR) in the court's discretion, subject to the same factors considered in setting bail. (Cal. Const., Art. I, § 28(f)(3).)
- 4) Provides that an insurer shall not execute an undertaking of bail except by and through a person holding a bail license issued as provided in this chapter, and that a person shall not in this state solicit or negotiate in respect to execution or delivery of an undertaking of bail or bail bond by an insurer or execute or deliver such an undertaking of bail or bail bond unless licensed as provided. (Insurance (Ins.) Code, §1800.)
- 5) Defines "solicit," for the purposes of the provision above includes any written or printed presentation or advertising made by mail or other publication, or any oral presentation or advertising by means of telephone, radio, or television which implies that an individual is licensed under this chapter, and any activity in arranging for bail which results in remuneration to the individual conducting that activity. (Ins. Code, §1800, subd. (c).)
- 6) Defines "bail bond" to include any contract not executed by a surety insurer for or method of release of person arrested or confined on account of any actual or alleged violation of the provisions of any law of this or any other State or of any

municipality in this State, including any release by means of cash or other property deposited in lieu of bail under the provisions of applicable Penal Code sections whereby the attendance in court when required by law and obedience to orders and judgment of any court by the person released is guaranteed. (Ins. Code, § 1800.4.)

- 7) Specifies that bail licenses include bail agents' licenses, bail permittees' licenses, and bail solicitors' licenses. (Insurance (Ins.) Code, § 1801.)
- 8) States that any violation of the Insurance Code rules on bail services, or of any rule of the Insurance Commissioner is punishable by up to one year in county jail or three years in county jail, a fine of \$10,000, or by both imprisonment and fine. (Ins. Code, § 1814.)
- 9) Provides that, except as specified, no bail licensee may solicit any person for bail in any prison, jail, or other place of detention of persons, court or public institution connected with the administration of justice; or in the halls or corridors adjacent thereto; provided that a bail licensee may in such halls, corridors or in other rooms or areas where not prohibited by local rule or ordinance transact bail, as specified, who have prior to transaction, requested the bail licensee's services. (California Code of Regulations (Cal. Code Regs.), tit. 10, § 2074.)
- 10) Prohibits a bail licensee for any purpose, directly or indirectly, from entering into an arrangement of any kind or have any understanding with a law enforcement officer, newspaper employee, messenger service or any of its employees, a trusty in a jail, any other person incarcerated in a jail, or with any other persons, to inform or notify any licensee (except in direct answer to a question relating to the public records concerning a specific person named by the licensees in the request for information), directly or indirectly, of:
 - a) The existence of a criminal complaint;
 - b) The fact of an arrest; or
 - c) The fact that an arrest of any person is impending or contemplated.
 - d) Any information pertaining to [those] matters or the persons involved with them. (Cal. Code Regs., tit. 10, § 2076.)

- 11) Prohibits a bail licensee from soliciting bail except as specified and from:
 - a) An arrestee;
 - b) The arrestee's attorney;
 - c) An adult member of the arrestee's immediate family; or
 - d) Such other person as the arrestee shall specifically designate in writing. Such designation shall be signed by the arrestee before the solicitation, unless prohibited by the rules, regulations or ordinances governing the place of imprisonment. If so prohibited, it may be signed after release of the arrested to ratify a previous oral designation made by the arrestee. (Cal. Code Regs., tit. 10, § 2079, subd. (a-d).)
- 12) States that any solicitation of an arrestee themselves shall be only after a bona fide request for bail services has been received from the arrestee or from a person, as specified. Any solicitation of a person shall be only between the hours of 7 o'clock a.m., and 11 o'clock p.m., unless the bail licensee is directly and specifically authorized in writing by the arrestee or the arrestee's attorney to make such solicitation at some other specific time. (Cal. Code Regs., tit. 10, § 2079.1.)
- 13) Makes it a misdemeanor to impersonate certain personnel, including a law enforcement officer or an officer or member of a fire department, with the intent of fraudulently impersonating such a person, or of fraudulently inducing the belief that they are such a person. (Pen. Code, §§538d, et. seq.)

This bill:

- 1) Provides that any person who violates either of the following shall be subject to the penalties set forth in Section 1814 of the Insurance Code:
 - a) The person 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.
 - b) The person hires another person or company to solicit bail when the person knew or should have known that the other person or company is impersonating or falsely holding themselves out to be a licensed bail agent, and that other person or company solicits or attempts to solicit bail from any individual.

- 2) Defines the following terms for the purposes of the crime above:
 - a) “Licensed bail agent” means a person licensed by the California Department of Insurance (CDI) to engage in bail activities, as specified.
 - b) “Solicit” includes, but is not limited to, phone calls, robocalls, text messages, emails, and in-person communications.
- 3) Specifies that the penalty prescribed in this bill is cumulative and do not restrict the application of any other law including any criminal penalties that may be imposed for any theft or for a violation of specified Insurance Code provisions and any rules or regulations issued thereunder.

Comments

By far the common method of posting bail in California is via a bail bond, which is essentially a private-party contract that provides the court with a guarantee that the defendant will appear for a hearing or trial. A defendant or arrestee pays a licensed bail agent a percentage of the total amount of bail ordered as a non-refundable fee – usually around 8-10% of the total bail amount. Commercial bail bonds are underwritten and issued by licensed bail agents who act as the appointed representatives of licensed surety insurance companies. To secure release for a detained individual, a bail company issues the bond, usually in the form of a promissory note to the court that it will ensure the defendant’s or arrestee’s appearance, which the court may only accept if it is convinced that no part of the bond is from a felonious source. The bond basically acts as an insurance policy, providing that if the defendant fails to appear, the county will receive the full amount of bail set by the court. As designed, the bail system often allows the court to rely on the private sector to ensure appearances and provide a means for the county to be made whole in the event that a person fails to appear.

As a form of insurance, bail bonds and the businesses that provide them are regulated by the CDI. Like any insurance provider, bail companies (as well as related bail fugitive recovery companies, or bounty hunters) are subject to a strict licensure regime which prohibits the solicitation or negotiation of bail unless the party is licensed, bonded and insured, and has completed specified training and education requirements. These provisions also give the Insurance Commission broad latitude in suspending, revoking, or refusing to issue a license provided the licensee is granted a hearing on the action, and specify that the violation of any of these statutory requirements or any administrative rule issued pursuant thereto is a crime punishable as a wobbler.

Turning to such rules, CDI has promulgated a host of regulations related to a bail licensee's solicitation of bail services. Specifically, these regulations generally prohibit the solicitation of bail by a bail licensee except from an arrestee, their attorney, an adult member of the arrestee's immediate family, or another person the arrestee designates in writing, but prohibits solicitation of bail from anyone that is in a prison, jail, or place of detention. Moreover, these regulations require that an arrestee seek bail services before a licensee may solicit for services, and permits solicitation of the arrestee's attorney only between the hours of 7am and 11pm, unless the bail licensee is specifically authorized in writing by the arrestee or their attorney to make a solicitation. Notably, in 2023, the California Supreme Court ruled that CDI was within its authority to prohibit bail licensees from receiving "inside" information from jail inmates about new arrestees booked into a county jail for purposes of solicitation.

This bill makes it a wobbler to 1) impersonate, or falsely hold oneself out to be, a licensed bail agent, and while doing so solicit or attempt to solicit bail from any individual and to 2) hire another person or company to solicit bail when the hiring party knew or should have known that the other person or company is impersonating or falsely holding oneself out to be a licensed bail agent, and that other person or company solicits or attempts to solicit bail.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

According to the Senate Appropriations Committee:

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).

SUPPORT: (Verified 8/20/26)

California Bail Agents Association (Source)

OPPOSITION: (Verified 8/20/26)

None received

ASSEMBLY FLOOR: 78-0, 5/26/26

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Johnson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

NO VOTE RECORDED: Muratsuchi, Celeste Rodriguez

Prepared by: Alex Barnett / PUB. S. / 916-651-4118
8/24/26 13:33:21

**** **END** ****