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**SENATE COMMITTEE ON INSURANCE**  
**Senator Stephen Padilla, Chair**  
**2025 - 2026 Regular**

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<b>Bill No:</b>	SB 1026	<b>Hearing Date:</b>	April 22, 2026
<b>Author:</b>	Gonzalez		
<b>Version:</b>	March 24, 2026 Amended		
<b>Urgency:</b>	No	<b>Fiscal:</b>	Yes
<b>Consultant:</b>	Brandon Seto		

**SUBJECT:** Bail Fugitive Recovery Agent Reform Act

**DIGEST:** Clarifies and expands certain insurance coverage requirements for the licensing of bail agents and bail fugitive recovery agents, and requires specified related disclosures to the California Department of Insurance (CDI). Provides additional authority for CDI to enforce licensure and insurance requirements for bail agents and bail fugitive recovery agents. Codifies standards of conduct for these individuals in the Insurance Code, and creates penalties for non-compliance.

**ANALYSIS:**

*Existing law:*

- 1) Authorizes the Insurance Commissioner (Commissioner) to regulate and license bail agents and the issuance of bail bonds.
- 2) Establishes the Bail Fugitive Recovery Persons Act which requires that all bail fugitive recovery persons meet specified training requirements and comply with certain laws, including but not limited to, being at least 18 years of age and completing various courses and classes.
- 3) Defines “bail fugitive recovery agent” (BFRA) as a person who is provided written authorization, as specified, by the bail or depositor of bail, and is contracted to investigate, surveil, locate, and arrest a bail fugitive for surrender to the appropriate court, jail, or police department, and any person who is employed to assist a bail or depositor of bail to investigate, surveil, locate, and arrest a bail fugitive for surrender to the appropriate court, jail, or police department.
- 4) Includes "bail fugitive recovery agent license" as a type of "bail license."
- 5) Prohibits a person from performing the activities of a bail fugitive recovery agent without a license, and requires an applicant for a bail fugitive recovery agent's license to file a surety bond, a policy of liability insurance, and a notice of appointment with the Commissioner.
- 6) Requires a bail fugitive recovery agent to file with the Commissioner:
  - a) A bond having an admitted surety insurer as surety in the amount of \$1,000.
  - b) A policy of liability insurance that provides minimum limits of insurance of \$1 million for any one loss or occurrence due to either bodily injury or death, or property damage, or both.

- 7) Provides that bail agents, bail permittees, and bail solicitors who apply for a bail fugitive recovery agent license are exempt from the bail fugitive recovery agent filing, provided they have a current surety bond and liability insurance policy on file with the Commissioner.
- 8) Provides that a bail fugitive recovery agent's appointment continues until termination of the bail fugitive recovery agent's license, the end of the license period if the fee for filing a renewal application is not paid, or the filing of a notice of termination by the insurer or by the bail fugitive recovery agent.
- 9) Requires a bail fugitive recovery agent to disclose on their license application and renewal to CDI whether they are also a bail agent, permittee, or solicitor.
- 10) Requires a bail fugitive recovery agent to carry an identification card issued by the Commissioner.
- 11) Requires an applicant for a license to act as a bail fugitive recovery agent to file with the Commissioner a notice of appointment executed by a surety insurer authorizing the applicant to act on behalf of, and pursuant to, the instructions of the appointing license holder.
- 12) Requires the Commission on Peace Officer Standards and Training (POST) to establish a certification program for peace officers for the purpose of fostering professionalization, education, and experience necessary to accomplish the general police service duties, as specified.
- 13) Requires an applicant to complete a 40-hour power of arrest course certified by POST in order to be eligible to take the examination required to be licensed, and provides that the 40-hour power of arrest course requirement applies to bail fugitive recovery agents or to those who hire, train, or designate assignments for bail fugitive recovery agents.
- 14) Specifies that the Commissioner may decline to issue a bail license until certain that the applicant has not willfully misstated any material fact in the application.
- 15) Details the requirements of conduct by a BFRA licensee, including, among other things, prohibitions against any wearing a uniform that represents the BFRA as belonging to the federal, state, or local government, as specified.
- 16) Requires, generally, a BFRA to notify the local police or sheriff's department of the intent to apprehend a bail fugitive in that jurisdiction beforehand, but not for more than six hours before. If a pressing circumstance arises and prior notification is not given, the BFRA must notify the local police or sheriff's department immediately after the apprehension and submit a detailed explanation of those circumstances upon request of the local jurisdiction.

*This bill:*

- 1) Stipulates that a bail agent's license permits the licensee to solicit, negotiate, and effect undertakings of bail on behalf of any surety insurer while there is current notice of appointment of that insurer filed with the Commissioner, as specified. Such a license cannot be issued unless there is a \$1,000 surety bond, filed with the Commissioner, and with certain conditions.

- 2) Requires BFRAs to have the following on file with the Commissioner:
  - a) A \$1,000 surety bond to allow persons to recover for injuries, loss, or damage resulting from the willful or wrongful acts or omissions of the BFRA.
  - b) A policy of \$1 million of liability insurance coverage at minimum for each bail fugitive recovery agent, for any one loss or occurrence due to either bodily injury or death, or property damage, or both, resulting from the willful or wrongful acts or omissions of the bail fugitive recovery agent. The policy must be issued by an admitted insurer and cover at least the period of the BFRA's license with the specific dates of coverage described, as specified.
  - c) Such a liability insurance policy must, among other things, state the full legal name and current BFRA license number, only insure BFRAs, extend only to the activities of a BFRA set down in law, insure only against loss or damage suffered by persons other than the insured BFRA or their associates, be primary and immediate coverage for any liability, and specify where the policy covers more than one person that at least \$1 million for any one loss or occurrence due to either bodily injury or death, or property damage, or both, will be available for each insured BFRA without exception.
- 3) States that each BFRA is individually responsible for obtaining and maintaining an insurance policy that complies with all stated requirements, and for payment of policy premiums. Multiple combined policies that attempt to accomplish portions of the requirements are not acceptable. A BFRA may obtain reimbursement from the appointing agency for premium payments.
- 4) Specifies that the following records, documents, and information regarding the required BFRA liability insurance policy must be filed in the manner specified by the Commissioner no more than 30 days after issuance or placement:
  - a) A complete, dated, and executed certificate of insurance.
  - b) A single document demonstrating satisfaction of all the required coverage amounts and scope, along with the policy language, the declaration page, endorsements, and amendments.
  - c) Proof of payment of the premium.
  - d) The telephone number, mailing address, certificate of authority number, and email address of the issuing insurance company.
  - e) The telephone number, mailing address, license number, and email address of the production agency that placed the policy, if the policy was placed through a licensed production agency which sells, solicits, or negotiates insurance policies.
- 5) Requires a BFRA to provide written notification to the Commissioner, as specified, within 30 days of learning that their required insurance policy has been rescinded or will become inactive, suspended, canceled, or terminated for any reason, or if the scope of coverage or coverage limits have been reduced below the mandatory amount.

- 6) States that the Commissioner must require such an active policy of liability insurance as a prerequisite to the issuance, reinstatement, reactivation, renewal, or continued maintenance of a BFRA license. If a BFRA does not have or maintain the necessary policy or proof thereof, their license will be suspended until they do so. Prior to suspension, the Commissioner must provide written notice to the BFRA that they have 30 days to provide proof of the mandatory insurance policy, or be suspended. While suspended, the BFRA cannot conduct any activity for which a BFRA license is needed.
- 7) Denies the issuance of a BFRA license to an applicant who fails to satisfy these insurance requirements.
- 8) Clarifies that for the purposes of the above requirements a bail fugitive recovery agent means either a BFRA license holder or a BFRA license applicant.
- 9) States that every holder of a license to act as a bail agent must file a notice of appointment with the Commissioner executed by a surety insurer or representative authorizing that applicant to execute undertakings of bail and to solicit and negotiate those undertakings on its behalf.
- 10) States that every holder of a license to act as a BFRA must file a notice of appointment with the Commissioner, executed by a bail agent or surety insurer authorizing that applicant to act on behalf of, and pursuant to, the instructions of the appointing license holder. The notices of appointment shall not be considered effective until the notice is formally filed and acknowledged by the Commissioner.
- 11) Exempts bail agents and bail permittees who apply for or hold a BFRA license from the notice of appointment filing requirement above if the bail agent or bail permittee has one or more surety appointments already on file with the Commissioner and the surety or sureties providing the appointments have authorized the bail agent or bail permittee to work under authority of the surety or sureties as a BFRA.
- 12) States that a BFRA must disclose to CDI on any license application or renewal whether the BFRA is also a bail agent, permittee, or solicitor, and shall carry identification cards issued by the Commissioner, as specified.
- 13) Allows the Commissioner to deny an application if the BFRA applicant or licensee has been convicted of a felony.
- 14) States that a BFRA applicant or licensee whose POST certification is suspended, revoked, or voluntarily surrendered must notify the Commissioner when this occurs, as specified. Furthermore, a BFRA applicant or licensee is deemed to consent to the disclosure of information by POST to the Commissioner as necessary to verify the status of the certification, and the circumstances surrounding its suspension, revocation, or surrender.
- 15) Allows the Commissioner to decline to issue a bail license until there is a determination that an applicant has not willfully or knowingly made a misstatement in the application, or has not made a false statement in testimony given under oath before the Commissioner or another person acting on the Commissioner's behalf.
- 16) Specifies that any applicant for, or holder of, a BFRA license must be a current California resident and a continuous resident of this state for at least two years before applying for a

BFRA license. If an applicant for, or holder of a BFRA license ceases to be a resident of this state, the application or license will become inactive. The holder of an inactive license cannot conduct any activity for which such a license is required until the Commissioner issues an order to restore the license.

- 17) States that a BFRA licensee shall comply with all requirements and restrictions of the Bail Fugitive Recovery Persons Act contained in the Penal Code.
- 18) Prohibits a BFRA licensee from:
  - a) Making any assertion or representation that they are a sworn law enforcement officer or representative of any government entity.
  - b) Wearing or possessing any uniform, device, item, document, or business card making it appear as though they belong to any government entity. As such a licensee may not display:
    - i) The words United States, California, bureau, task force, federal, agency, agent, department, deputy, officer, or other substantially similar words that may lead a reasonable person to mistakenly believe the licensee represents a government entity.
    - ii) Any flag, seal, emblem, or symbol that may lead a reasonable person to mistakenly believe the licensee represents a government entity.
  - c) Wearing or otherwise using a badge, other than an identification card issued by the Commissioner.
  - d) Wearing any mask, false whiskers, or any personal disguise, whether complete or partial, that aids, or may aid, in evading or escaping discovery, recognition, or identification during bail fugitive recovery activities.
  - e) Using a fictitious name that represents them as belonging to any government entity.
  - f) Engaging in immigration enforcement, except pursuant to a valid judicial warrant or court order.
  - g) Disclosing or providing in writing, verbally, or in any other manner, personally identifiable information of any bail fugitive that is requested for purposes of immigration enforcement, except pursuant to a valid judicial warrant or court order.
  - h) Threatening legal action unrelated to the case for which bail was given, including any threat to initiate criminal, civil, administrative, or immigration proceedings.
  - i) Loitering on or around a property if the bail subject is not present or harassing the occupants of a property with the aim of soliciting information about the location of the bail subject.
  - j) Forcibly entering a premise, except as specified in current law.
  - k) Carrying a firearm or other weapon, unless in compliance with the laws of the state.

- l) Using physical force, beyond is objectively reasonable and proportionate under the totality of the circumstances encountered.
- m) Detaining, restraining, or otherwise impeding the mobility of any person not subject to recovery as a bail fugitive.

19) Requires a BFRA to do the following:

- a) Wear a jacket, shirt, or vest with the words “BAIL BOND RECOVERY AGENT,” “BAIL ENFORCEMENT,” or “BAIL ENFORCEMENT AGENT” displayed in letters at least two inches high across the front or back of the jacket, shirt, or vest, and in contrasting color to that of the jacket, shirt, or vest when apprehending a bail fugitive. The words “BAIL BOND RECOVERY AGENT,” “BAIL ENFORCEMENT,” or “BAIL ENFORCEMENT AGENT” shall be lettered at least twice as large as any other text appearing on the jacket, shirt, or vest.
- b) Except under pressing circumstances, notify the local police department or sheriff’s department in writing of the intent to apprehend a bail fugitive in that jurisdiction, prior to and no more than six hours before attempting to apprehend the bail fugitive. If such pressing circumstances exist, notice may be provided to the entities above by telephone before or after the arrest has taken place, in which case the name or operator number of the employee receiving the notice information must be obtained and retained.
- c) The notice above must be in writing and include the name of the bail fugitive recovery agent entering the jurisdiction, approximate time the bail fugitive recovery agent will be entering the jurisdiction and the approximate length of the stay, the name and approximate location of the bail fugitive.
- d) If a pressing circumstance arises and prior written notification is not given, the BFRA must notify the local police or sheriff’s department immediately after the apprehension, and upon request of the local jurisdiction, submit a detailed, written explanation of those circumstances within three working days after the apprehension is made.
- e) Any record relating to notice to the local police department or sheriff’s department, must be transcribed in writing and retained by the BFRA for at least five years from the date of notice. Upon request by the Commissioner, a BFRA must provide a copy of any notice requested within 21 calendar days, including the following information:
  - i) The name of the BFRA entering the jurisdiction.
  - ii) The approximate time and date the BFRA entered the jurisdiction and the approximate length of the stay.
  - iii) The name and approximate location of the bail fugitive.
  - iv) The name of the bail agent or depositor of bail and corresponding court case number.
  - v) The name and telephone number of the local police department or sheriff’s department contacted.
  - vi) Method and form of notification.

- f) Notice must be in writing or by telephone. All other forms of communication, including, social media, text messaging, internet-based messaging, or other verbal notice, are prohibited.
- 20) Clarifies that immigration enforcement includes any efforts to investigate, enforce, or assist in any federal civil immigration law and includes the investigation or enforcement of any federal criminal law that penalizes a person's presence in, entry or reentry to, or employment in, the United States.
- 21) Clarifies that its provisions do not prohibit or restrict any government entity or official from sending to, or receiving from, federal immigration authorities, information regarding the citizenship or immigration status, of an individual, or from requesting from federal immigration authorities immigration status information of any individual, or maintaining or exchanging that information with other federal, state, or local government entity as specified.
- 22) A BFRA must include their license number on business cards or other documents produced by the licensee in a type size that is at least as large as any indicated telephone number, address, or fax number and in a font size not less than 8-point.
- 23) Sets penalties for violations of its provisions in the form of a fine levied by the Commissioner in the amount of \$4,000 for each offense. Each violation may be separately assessed when calculating penalty amounts, not to exceed \$20,000 for all offenses involved in one proceeding.
- 24) States that violations of its provisions are grounds to deny, suspend, or revoke a license.
- 25) Asserts that the powers vested in the Commissioner by its provisions are in addition to any other powers and remedies vested by law.
- 26) Allows the Commissioner to adopt, amend, or repeal regulations to implement its provisions, as specified.
- 27) Applies these provisions to any person present during, or participating in, recovery of a bail fugitive.
- 28) States that its provisions are severable. If any provision is invalidated, that invalidity does not affect other provisions or applications that can be given effect otherwise.
- 29) Makes various conforming and technical changes.

## **Background**

*According to the author:*

“Bail Fugitive Recovery Agents (BFRAs), also colloquially known as bounty hunters, operated in California for decades without conduct standards or regulations. The Legislature first adopted regulations on BFRAs in 2012 and established a formal licensure program in 2022. The current insurance policy and conduct requirements in statute are intended to protect both bail agents contracting BFRAs, and members of the public who may interact with them. Unfortunately, loopholes in these protective measures have been exploited repeatedly by BFRAs, limiting their efficacy. Combined with the current inability of the California Department of Insurance (CDI) to

perform their oversight duties and suspend or revoke a license for misconduct, these gaps in the law pose serious public safety risks. BFRAs are not law enforcement and do not undergo rigorous training. They also have significantly less oversight on their activity when operating in the field than law enforcement officers do. SB 1026 strengthens the existing requirements for active BFRAs and provides CDI with the authority to suspend, deny, or revoke a license for misconduct without criminal charges being pressed first – disciplining bad actors before they can commit irreversible harm.”

*Bail Fugitive Recovery Agents/Bounty Hunters.* BFRAs, sometimes known as bounty hunters, earn their living by tracking and apprehending individuals charged with a crime and out on bail who have failed to appear in court, also known as “bail fugitives.” Bail agents licensed through CDI often act as BFRAs as well. Current law requires the licensure of BFRAs, and provides that an applicant for such a license must pass a licensing exam and file several items with CDI, including a surety bond, a policy of liability insurance, and a notice of appointment by a surety insurer. In order to be eligible to take the required licensing examination, the applicant must have completed 20 hours of classroom education on the duties and responsibilities of a bail licensee as well as a 40-hour, POST-certified course on the powers of arrest. In addition, in every two-year licensing period, the licensee must complete 12 hours of continuing education. The licensing process also includes a background check.

### **Related/Prior Legislation**

*AB 2029 (Ammiano, Chapter 747, Statutes of 2012).* Reenacted the Bail Fugitive Recovery Persons Act regarding persons who arrest and return bail fugitive defendants to court. Included requirements to complete a course on arrest and 20 hours of training on the duties of bail agents. Provided that only bail agents, bail fugitive recovery persons, and private investigators, as specified, may arrest bail fugitives. Required a person authorized by law to arrest a bail fugitive to obtain written authorization to arrest a bail fugitive and keep the authorization and applicable certificates of training when performing their duties. Required a person authorized by law to arrest a bail fugitive to inform local law enforcement when making an arrest, as specified, except under exigent circumstances. Prohibited a person authorized by law to arrest a bail fugitive from representing themselves to be law enforcement officers.

*AB 2043 (Jones-Sawyer, Chapter 768, Statutes of 2022).* Prohibited a person from performing the activities of a bail fugitive recovery agent without a license, and required an applicant for a bail fugitive recovery agent's license to file a surety bond, a policy of liability insurance, and a notice of appointment with the Insurance Commissioner.

*SB 805 (Perez, Chapter 126, Statutes of 2025).* Required peace officers and federal law enforcement officers to display identification visibly when performing their enforcement duties, and required a law enforcement agency operating in California to maintain and publicly post a written policy on the visible identification of sworn personnel.

*AB 1927 (Krell).* Creates the Bail Consumer Protection Act and prohibits a bail agent or someone impersonating a bail agent from engaging in solicitation of bail to a family member or known contact of an arrested individual for purposes of bail bond services. *Pending in Assembly Appropriations Committee.*

### **ARGUMENTS IN SUPPORT:**

*Insurance Commissioner Ricardo Lara, sponsor of the bill states:*

“BFRAs have operated in California for decades, earning their living by tracking down people out on bail who have failed to appear in court, also known as bail fugitives. If a BFRA fails to find a bail fugitive, they will not get paid, and the bail agent who posted the bond will owe the full bail amount to the court. Prior to 2022, no entity was tasked with overseeing or enforcing limited state education, notice, and conduct requirements on BFRAs. This lack of oversight and the aforementioned strong financial incentive to track down bail fugitives often resulted in both dangerous and traumatizing situations for consumers with allegations of BFRAs engaging in crimes such as burglary, robbery, homicide, theft, coercion, misrepresentation, kidnapping, extortion, and of bail agents hiring convicted felons.

In 2022, the Legislature created the first BFRA license in California by passing Assembly Bill 2043 (Ch. 768, Stats. 2022). The Department of Insurance (Department) sponsored bill brought long overdue regulatory oversight to the bail bond industry by creating a formal BFRA licensure program. While the creation of the BFRA licensure program has placed important guardrails around who can serve as a BFRA, my Department staff have identified several loopholes that are currently being exploited.

SB 1026 would strengthen the existing \$1 million insurance policy requirement for BFRA applicants by requiring BFRAs to be the sole holder of the insurance policy for the entire duration of their license, and to provide the Department with proof of coverage and notification of changes. BFRAs will no longer be able to engage in “policy hopping” thus reducing the risk of not having adequate insurance coverage throughout the duration of their license. Additionally, BFRAs will be required to carry their own primary insurance, not surplus lines. Because primary insurance through an admitted carrier is subject to the California Fair Claims Settlement Practices Regulations, my Department will have full regulatory oversight over the companies and can ensure consumers can recover damages if harmed by a BFRA.

SB 1026 will also clarify that notices of appointment will not be considered effective until formally filed and acknowledged by the Department, establishing lines of oversight and accountability for bad conduct. Lastly, SB 1026 will provide my Department the authority to enforce rules of conduct currently in the Penal Code by incorporating them into the Insurance Code, as well as add additional prohibitions on wearing masks, physical force, coercive behavior, and impersonating law enforcement or government agents. The Department will have the authority to suspend or revoke a license for misconduct before a criminal conviction, protecting Californians from unsafe or unlawful practices.”

#### **ARGUMENTS IN OPPOSITION:**

*Representatives of the bail industry state:*

“SB 1026 imposes requirements that are not commercially feasible, are operationally impracticable, and would materially impair the ability of licensed bail fugitive recovery agents to perform lawful recovery work on behalf of appointing bail agents and sureties. Section 1802 of SB 1026 requires \$1 Million of insurance from a California admitted insurer. No California admitted insurer writes insurance compliant with this bill. This is a backhanded way of forcing BFRAs out of business and bail agents will soon follow because they cannot operate without effective BFRAs.

Failure to obtain the required insurance policy would effectively bar many otherwise qualified and licensed bail fugitive recovery agents from lawfully operating, not because of misconduct or

incompetence, but because they would be unable to satisfy an impossible insurance condition. This would have direct and serious consequences: sureties would suffer more losses because fugitives would not be returned to custody, law enforcement would be burdened with more fugitives to recover, and crime victims would suffer because accused defendants would not be forced to trial. SB 1026 will harm public safety by reducing enforcement of and compliance with bail orders, meaning that those awaiting hearings or trials for criminal acts would have little obligation to show up for them.

In addition, SB 1026 imposes extensive notification, documentation, and procedural requirements that are unduly burdensome and disconnected from the practical realities of fugitive recovery work. The bill would require detailed written notice to local law enforcement before attempted apprehensions, impose rigid documentation and transcription requirements, and create exposure to substantial penalties for technical or paperwork-related violations. It would also establish operational restrictions that, in several respects, are vague, overly prescriptive, or difficult to apply in dynamic field situations.

Taken together, these provisions would create significant compliance burdens for licensed agents, while doing little to target actual bad actors. Rather than improving public safety, the bill is likely to reduce the number of qualified recovery agents able to work lawfully in California, delay lawful apprehensions, increase administrative disputes, and diminish the effectiveness of the bail system.”

**SUPPORT:**

Insurance Commissioner Ricardo Lara/California Department of Insurance (Sponsor)

**OPPOSITION:**

California Bail Agents Association  
DMCG, Inc. DBA Bail Hotline Bail Bonds  
Financial Casualty & Surety  
Golden State Bail Agents Association, Inc.  
Lexington National Insurance Corporation  
Two Jinn Inc.

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