Date of Hearing: August 5, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS
Buffy Wicks, Chair
SB 562 (Ashby) – As Amended June 16, 2026

Policy Committee: Public Safety Vote: 5 - 2

Urgency: No State Mandated Local Program: No Reimbursable: No

SUMMARY:

This bill requires a court, after a hearing and on specified findings, to order a compensated bail surety to refund up to 80% of the premium a defendant paid.

Specifically, this bill (a) requires the court to order the surety to refund up to 80% of the premium where the court finds that one party unfairly benefits or receives something of value at another party's expense and that the interests of justice require return of the premium or other compensation, but only if, within 21 days after a bond is posted, the bond's terms and conditions are changed or altered or the changes are dismissed, and (b) prohibits any refund where more than 30 days have elapsed after the bond was posted; and provides that reincarceration of the defendant on separate charges is not a ground for exoneration of the surety.

FISCAL EFFECT:

1) Trial court cost pressures of an unknown amount, potentially significant in the aggregate, to conduct the hearings this bill requires before a refund may be ordered (Trial Court Trust Fund, General Fund). Each qualifying case requires a hearing at which the court receives evidence, makes the specified factual findings, and determines the refund amount, and at which the surety — the party ordered to refund — would receive notice and an opportunity to be heard. The aggregate workload depends on the number of cases in which a bond's terms change or charges are dismissed within 21 days of posting. While trial courts are not funded on a workload basis, an increase in hearings could pressure the General Fund to backfill trial court operations.

2) Costs to the California Department of Insurance (CDI) of $51,000 in fiscal year 2026-27, $132,000 in fiscal year 2027-28, and $61,000 in fiscal year 2028-29 and ongoing (Insurance Fund). According to CDI, the higher figure in 2027-28 reflects one-time costs associated with reviewing rate filings submitted by surety companies to incorporate this bill's requirements. The ongoing costs reflect an anticipated increase in enforcement complaints.

COMMENTS:

1) **Purpose**. According to the author, SB 562 is a "financial justice bill" that "seeks to remedy the very narrow and unjust circumstance where someone is arrested, pays a fee to a bail bond agency to secure their release but then no charges are filed against them, or charges are dismissed before trial."

2) **Background**. A defendant released through a commercial bail surety pays the surety a premium, conventionally a percentage of the bond amount, which the surety retains as the price of assuming the bond obligation. This bill directs the court, on the findings described above, to order the surety to refund up to 80% of that premium when a bond's terms change or the charges are dismissed within 21 days of posting.

3) **Support and Opposition**. The bill is supported by the California Department of Justice, the California Public Defenders Association, Californians for Safety and Justice, the Western Center on Law & Poverty, and a range of criminal justice and civil rights organizations, which argue the bill addresses the circumstance in which a person pays a nonrefundable bail premium but is never charged or has the charges dismissed. The bill is opposed by bail surety agents and the American Bail Coalition, the California District Attorneys Association, numerous law enforcement associations, and victim organizations. Opponents argue sureties will restrict bond issuance in cases perceived as likely to be dismissed, leaving lower-income arrestees in custody; that the measure may conflict with Proposition 103; and that victim-notice interests under Marsy's Law are implicated where a defendant's release status is affected.

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