

HCS SCS SB 1027 & 896 -- BAIL BOND AND SURETY RECOVERY AGENTS

SPONSOR: Cauthorn (Behnen)

COMMITTEE ACTION: Voted "do pass" by the Committee on Professional Registration and Licensing by a vote of 14 to 0.

This substitute changes the laws regarding bail bond agents and establishes a licensing procedure for surety recovery agents, generally known as bounty hunters. The substitute specifies the requirements for obtaining a license to be a bail bond agent or surety recovery agent, establishes fees to cover the administration of the licensing, and grants authority to the Director of the Department of Insurance to regulate those agents. The substitute:

- (1) Prohibits anyone from engaging in the bail bond business without being licensed by the department. Violation is a class A misdemeanor, and any subsequent offense is a class D felony;
- (2) Requires bail bond agents and surety recovery agents to receive at least 24 hours of basic training and eight hours of biennial continuing education, with a curriculum approved by the department. The costs of the training are to be paid by the applicant, but in no case will the cost be more than \$200 for the basic training and \$150 for the biennial continuing education. Persons with at least two years of peace officer experience are exempt from the required training as a surety recovery agent;
- (3) Requires a \$150 licensing fee, with the licenses valid for two years;
- (4) Allows the department to demand additional assignment of assets from a bail bond agent if circumstances warrant, up to \$25,000. Current law allows up to \$10,000;
- (5) Requires the collateral demanded by bail bond agents to be reasonable in relation to the amount of the bond;
- (6) Allows the department to establish reciprocal agreements with other states which have similar qualifications and training requirements for bail bond industry licensees;
- (7) Prohibits the granting of a bail bond agent license or surety recovery agent license to anyone who, within the last 15 years, has been convicted of a felony, a crime involving moral turpitude, child molestation, or any crime involving the use of a weapon;
- (8) Grants the department authority to issue cease and desist

orders to any person violating any of the provisions of the substitute;

(9) Grants the department subpoena power to compel testimony regarding possible violations;

(10) Authorizes the department to file complaints with the Administrative Hearing Commission against licensees; and

(11) Allows bail bond agents to detain subjects in a lawful manner and enter upon public or private property in order to execute apprehension of a subject, if the agent has probable grounds to believe the subject breached the terms of the surety agreement. Agents may not detain subjects for more than 72 hours.

FISCAL NOTE: No impact on General Revenue Fund in FY 2005, FY 2006, and FY 2007. Estimated Income on Other State Funds of \$22,548 in FY 2005, \$39,939 in FY 2006, and \$36,855 in FY 2007.

PROPOSERS: Supporters say that the bill tightens up the law pertaining to bail bond agents and bounty hunters. It is important that persons operating in this industry be properly trained and regulated, which the bill provides.

Testifying for the bill were Senator Cauthorn; Missouri Professional Bail Bond Association; Department of Insurance; and Judicial Conference of Missouri.

OPPOSERS: There was no opposition voiced to the committee.

Bob Dominique, Legislative Analyst