

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 6436**

**BILL NUMBER:** HB 1036

**NOTE PREPARED:** Dec 3, 2003

**BILL AMENDED:**

**SUBJECT:** Bail Agent and Recovery Agent Licensing.

**FIRST AUTHOR:** Rep. Frizzell

**BILL STATUS:** As Introduced

**FIRST SPONSOR:**

**FUNDS AFFECTED:**    **GENERAL**  
                          **X DEDICATED**  
                          **FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill establishes procedures for the reinstatement of an expired bail agent or recovery agent license. The bill requires an applicant for a bail agent license to complete 16 hours of instruction in courses that pertain to the duties and responsibilities of bail agents or recovery agents before the applicant may receive a license. It establishes continuing education requirements for the renewal of a bail agent or recovery agent license. The bill establishes procedures for persons that wish to conduct bail agent or recovery agent courses of instruction or continuing education courses. The bill also establishes procedures and requirements concerning the appointment of surety bail agents by insurers.

**Effective Date:** July 1, 2004.

**Explanation of State Expenditures:** The Department of Insurance (DOI) could incur administrative expenses involved with the printing of the new continuing education requirements and implementation of the provisions for persons offering approved course work for the new continuing education requirement. Given that new fees are provided, the DOI should be able to absorb additional expenditures. In addition, the DOI is required to prepare a form for the insurer to give notice to the DOI of the appointment of a surety bail agent. The DOI should be able to absorb the cost to develop this form given their current resources.

**Explanation of State Revenues:** The bill would allow the Department to collect the following fees:

In case of reinstatement not more than 90 days after expiration of the license:

- (1) reinstatement fee of \$200, and
- (2) a pro rata portion of the license fee of either \$650 for bail recovery agents or \$300 for recovery agents (if the date of renewal leaves one year remaining in the biennial renewal period, the fee is 50% of this

amount).

In case of persons wishing to offer course work for the continuing education requirement deemed approved by the Commissioner, the fee would be \$500 on an annual basis.

The revenue received from this provision would be used to cover the costs associated with the implementation of the provision. All revenues collected relating to bail recovery agent licensure or persons offering continuing education course work are deposited into the Bail Bond Enforcement and Administration Fund.

The Department reports there are currently 434 bail agents and 73 recovery agents with active licenses. The number of licenses not renewed in the last renewal period was 41 bail agents. The number of recovery agents increased from 52 to 73.

The total revenue generated is dependent on the number of expired bail bond agent licenses renewed under the provisions of the bill. The impact also depends on the number of persons wishing to offer approved continuing education.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Department of Insurance.

**Local Agencies Affected:**

**Information Sources:** Greg Thomas, Deputy Commissioner, Department of Insurance, (317) 232-2406.

**Fiscal Analyst:** Bernadette Bartlett, 317-232-9586.