

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2219-02
Bill No.: HCS for HB 1063
Subject: Bonds - Bail; Courts
Type: Original
Date: March 12, 2019

Bill Summary: This proposal modifies provisions relating to bail bonds.

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|--|---|---|---|
| FUND AFFECTED | FY 2020 | FY 2021 | FY 2022 |
| General Revenue | (Unknown, less than \$100,000) | (Unknown, less than \$100,000) | (Unknown, less than \$100,000) |
| Total Estimated Net Effect on General Revenue | (Unknown, less than \$100,000) | (Unknown, less than \$100,000) | (Unknown, less than \$100,000) |

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | |
|---|------------|------------|------------|
| FUND AFFECTED | FY 2020 | FY 2021 | FY 2022 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>Other</u> State Funds | \$0 | \$0 | \$0 |

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | |
|---|------------|------------|------------|
| FUND AFFECTED | FY 2020 | FY 2021 | FY 2022 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE) | | | |
|---|----------|----------|----------|
| FUND AFFECTED | FY 2020 | FY 2021 | FY 2022 |
| | | | |
| | | | |
| Total Estimated Net Effect on FTE | 0 | 0 | 0 |

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|--|------------|------------|------------|
| FUND AFFECTED | FY 2020 | FY 2021 | FY 2022 |
| Local Government | \$0 | \$0 | \$0 |

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Office of the State Courts Administrator (OSCA)** assume the proposed HB 1063 requires the state courts administrator to approve private pretrial court services companies contracted by the court. The fiscal impact resulting from such approval, including FTE and dollars, will vary depending on whether the language contemplates a vendor list process, some level of certification or licensing, or some other process. Further, additional FTE may be required to confirm the value of the surety bond.

Accordingly, Fiscal Note Number 2219-02, House Committee Substitute for House Bill 1063 will have some fiscal impact, but there is no way to quantify that currently. Any such impacts will be reflected in future budget requests.

Oversight notes that there may be unknown costs from this proposal from \$544,455.1(4) which states a private pretrial court services company may be contracted by the court and has to be approved by OSCA. Therefore, Oversight will reflect a unknown cost that is less than \$100,000 for this proposal.

Officials at the **Department of Insurance, Financial Institutions and Professional Registration** assume no fiscal impact from this proposal.

Oversight notes that the Department of Insurance, Financial Institutions and Professional Registration has stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for that agency.

| <u>FISCAL IMPACT - State Government</u> | FY 2020 (10 Mo.) | FY 2021 | FY 2022 |
|--|---------------------------------------|---------------------------------------|---------------------------------------|
| GENERAL REVENUE FUND | | | |
| Cost - OSCA - contract with private pre-trial court services company | (Unknown, less than \$100,000) | (Unknown, less than \$100,000) | (Unknown, less than \$100,000) |
| ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND | (Unknown, less than \$100,000) | (Unknown, less than \$100,000) | (Unknown, less than \$100,000) |

FISCAL IMPACT - Local Government

FY 2020
(10 Mo.)

FY 2021

FY 2022

\$0

\$0

\$0

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This bill allows a court to accept, in lieu of a cash only bond, a guarantee from any surety who is in compliance with the general laws regulating bail bondsmen. The bill also allows the court to require a person to report regularly to a private pretrial court services company that has been contracted by the court and that has been approved by the Office of State Courts Administrator. Upon judgment of a bail bond forfeiture, money shall be disbursed in the same manner as the judgment that is paid by a professional surety.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of the State Courts Administrator
Department of Insurance, Financial Institutions and Professional Registration



Kyle Rieman
Director
March 12, 2019

Ross Strope
Assistant Director
March 12, 2019