

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 6756H.04C
 Bill No.: HCS for HB 3111
 Subject: Professional Registration and Licensing; Licenses - Miscellaneous; Department of Commerce and Insurance
 Type: Original
 Date: March 10, 2026

Bill Summary: This proposal modifies provisions relating to professional surety bail bond agents.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Board of Private Investigator Examiners Fund (1802)	(\$83,396)	\$0	\$0
Board of Private Investigators, Private Fire Investigators and Professional Surety Bail Bonds Agent Fund	\$5,591	\$154,571	(\$81,618)
PR Fees Fund (1689)*	\$0	\$0	\$0
Insurance Dedicated Fund (1566)	\$98,559	\$119,710	\$35,105
Total Estimated Net Effect on <u>Other State Funds</u>	\$20,754	\$274,281	(\$46,513)

*Cost and Transfer-Ins net to zero.

ESTIMATED NET EFFECT ON FEDERAL FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)

FUND AFFECTED	FY 2027	FY 2028	FY 2029
PR Fees Fund (1689)	1 FTE	1 FTE	1 FTE
Insurance Dedicated Fund (1566) (savings)	(1 FTE)	(1 FTE)	(1 FTE)
Total Estimated Net Effect on FTE	0 FTE	0 FTE	0 FTE

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§§324.2100 - 374.051 - Professional Bail Bondsman and Surety Recovery Agent Act

Officials from the **Department of Commerce and Insurance (DCI)** assume Section 324.1102 adds the profession and renames the board to the Board of Private Investigators, Private Fire Investigators, and Professional Surety Bail Bond Agents consisting of ten members. Board members may receive compensation and are reimbursed for travel costs and actual and necessary expenses. No mention of the number of board meetings. Section 324.1102 also creates the Board of Private Investigators, Private Fire Investigators, and Professional Surety Bail Bond Agents Fund. No language regarding transferring current funds to this fund.

Licensee/Revenue

363 Bail Bond Agents

\$550 Initial License Fee (limited by statute)

\$500 Biennial Renewal Fee (limited by statute)

98 General Bail Bond Agents

\$550 Initial License Fee (limited by statute)

\$500 Biennial Renewal Fee (limited by statute)

5 General Bail Bond Corporations

\$550 Initial License Fee (limited by statute)

\$500 Biennial Renewal Fee (limited by statute)

18 Surety Recovery Agents

\$550 Initial License Fee (limited by statute)

\$500 Biennial Renewal Fee (limited by statute)

- Projected revenue reflects fees collected for all categories of licensure.
- A 3% growth rate has been estimated.
- It is estimated that the collection of renewal fees will begin in FY 2028.
- If the number of licensees largely vary from the number estimated above, the licensure fees will be adjusted accordingly.

In summary, DCI assumes revenue of \$244,200 in FY 2028 (484 licensees x \$500 + 4 licensees (3% growth) x 4) and \$1,650 (3 x \$550) in FY 2029 to the newly created Board of Private Investigators, Private Fire Investigators, and Professional Surety Bail Bond Agents Fund as a result of the implementation of the changes in this proposal.

Staffing-Estimated at PR current staffing salaries

1 Customer Service Representative, at \$39,227 annually, needed to provide technical support, process applications for licensure, and respond to inquiries related to the licensure law and/or rules and regulations.

“Professional Bail Bondsman and Surety Recovery Agent Licensure Act” appears to mirror current laws regulating bail bond and surety recovery agents but now transfers regulatory oversight to Division of Professional Registration creating a board. This would reduce the need for 1 FTE of a Regulatory Auditor in the Insurance Divisions. Creating a reduction to the Insurance Dedicated Fund.

Oversight will reflect estimated revenues from licenses to the newly created Board of Private Investigators, Private Fire Investigators, and Professional Surety Bail Bond Agents Fund and the board-specific expenses to the Professional Registration Fees Fund (1689), with a transfer from the newly created fund to support the FTE expense.

Oversight notes, according to DCI, this proposal is moving these requirements from one division to another. Therefore, Oversight will reflect a savings of 1 FTE to the Insurance Dedicated Fund (1566) and also a loss of fees that was once collected into the Insurance Dedicated Fund and now will be deposited into the Professional Surety Bail Bond Agents Fund as estimated by DCI.

According to section 324.1102.9, all money held in the Board of Private Investigator and Private Fire Investigator Examiners Fund (0802) shall be transferred to the newly created fund, Board of Private Investigators, Private Fire Investigators, and Professional Surety Bail Bond Agents Fund. As of February, 2026, there was a current balance of \$82,396.32 in the Board of Private Investigator Examiners Fund. (0802). Oversight will reflect a transfer-out of these funds to the newly created fund.

Bill as a whole:

In response to a previous version, officials from the **Office of the Governor (GOV)** stated this bill adds to the Governor’s current load of appointment duties. Individually, additional requirements should not fiscally impact the Office of the Governor. However, the cumulative impact of additional appointment duties across all enacted legislation may require additional resources for the Office of the Governor.

Officials from the GOV assume the proposal cost of the proposal can be absorbed. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this agency.

Officials from the **Office of Administration - Administrative Hearing Commission, Department of Corrections, Department of Revenue, Department of Public Safety - Missouri Highway Patrol, Office of the State Courts Administrator, Office of the State**

Public Defender, Office of the State Treasurer and the **Missouri Senate** each assume the proposal will have no fiscal impact on their respective organizations.

In response to a previous version, officials from the **Office of the State Public Defender** assumed the proposal will have no fiscal impact on their organization.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Rule Promulgation

Officials from the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

Officials from the **Office of the Secretary of State (SOS)** note many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$5,000. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with its core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
BOARD OF PRIVATE INVESTIGATOR EXAMINERS FUND (1802)			
<u>Transfer Out</u> – to Board of Private Investigators, Private Fire Investigators and Professional Surety Bail Bonds Agent Fund (§§324.2100 - 374.051) p.4	(\$83,396)	\$0	\$0
ETIMATED NET EFFECT ON THE BOARD OF PRIVATE INVESTIGATOR EXAMINERS FUND (1802)	<u>(\$83,396)</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
BOARD OF PRIVATE INVESTGATORS, PRIVATE FIRE INVESTIGATORS AND PROFESSIONAL SURETY BAIL BONDS AGENTS FUND			
<u>Revenue – DCI p.5</u> Licensing Fee (§§324.2100 - 374.051)	\$0	\$244,200	\$1,650
<u>Transfer In – from Board of Private Investigators Examiners Fund (1802) (§§324.2100 - 374.051) p.4</u>	\$83,396	\$0	\$0
<u>Transfer Out – to PR Fees Fund (0689) (§§324.2100 - 374.051) p.4</u>	(\$77,805)	(\$89,629)	(\$83,268)
ESTIMATED NET EFFECT ON THE PROFESSIONAL SURETY BAIL BOND AGENTS FUND	<u>\$5,591</u>	<u>\$154,571</u>	<u>(\$81,618)</u>
PR FEES FUND (1689)			
<u>Transfer In – from Board of Private Investigators, Private Fire Investigators and Professional Surety Bail Bonds Agent Fund (§§324.2100 - 374.051) p.5</u>	\$77,805	\$89,629	\$85,268
<u>Cost – DCI (§§324.2100 - 374.051) p.5</u>			
Personal Service	(\$32,689)	(\$40,012)	(\$408,152)
Fringe Benefits	(\$26,761)	(\$32,429)	(\$32,750)
Equipment and Expense	(\$18,355)	(\$17,189)	(\$11,706)
<u>Total Cost – DCI</u>	<u>(\$77,805)</u>	<u>(\$89,629)</u>	<u>(\$85,268)</u>
FTE Change – DCI p.5	1 FTE	1 FTE	1 FTE
ESTIMATED NET EFFECT ON PR FEES FUND (1689)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Estimated Net FTE Change on PR Fees Fund (1689)	1 FTE	1 FTE	1 FTE

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
INSURANCE DEDICATED FUND (1566)			
<u>Savings – DCI (§§324.2100 - 374.051)</u>			
Personal Service	\$56,078	\$68,639	\$70,012
Fringe Benefits	\$36,168	\$43,943	\$44,495
Equipment and Expense	\$6,313	\$7,728	\$7,882
<u>Total Savings – DCI p.5</u>	<u>\$98,559</u>	<u>\$120,310</u>	<u>\$122,389</u>
FTE Change – DCI	1 FTE	1 FTE	1 FTE
<u>Loss – DCI (§§324.2100 - 374.051)</u>			
Licensing Fee p.5	\$0	(\$600)	(\$87,284)
ESTIMATED NET EFFECT ON THE INSURANCE DEDICATED FUND	<u>\$98,559</u>	<u>\$119,710</u>	<u>\$35,105</u>
Estimated Net FTE Change on Insurance Dedicated Fund (1566)	1 FTE	1 FTE	1 FTE

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

A direct fiscal impact to bail bond agents could be expected as a result of this proposal.

FISCAL DESCRIPTION

Currently, bail bondsman are regulated by the Department of Commerce and Insurance (DCI). This bill creates the "Board of Professional Surety Bail Bond Agents" under the Division of Professional Registration within DCI to regulate bail bondsman. All of the current regulatory requirements for bail bondsman will remain the same, but the Board will be the new regulating entity.

The Board will be composed of seven members appointed by the Governor with the advice and consent of the Senate. Three members must have been actively engaged in the general bail bond business for the five years immediately preceding their appointment, one member must be a member of the judiciary, one member must be a law enforcement officer, and two members must be licensed bail bond or surety recovery agents. Each member of the board must be a citizen of the United States, a resident of this state for at least one year, and a registered voter. No more than one private bail bond Board member can be employed by, or affiliated with, the same bail bond agency or business organization. Term limits for the Board members are outlined in the bill.

The members of the Board can receive compensation, as determined by the director of DCI for their services, if appropriate, and will be reimbursed for actual and necessary expenses incurred in performing their official duties on the Board.

The bill creates the "Board of Professional Surety Bail Bond Agents Fund", which will be used to fund the regulation of bail bondsman.

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 Administration - Administrative Hearing Commission
Department of Commerce and Insurance
Department of Corrections
Department of Revenue
Department of Public Safety - Missouri Highway Patrol
Office of the Governor
Office of the State Courts Administrator
Office of the Secretary of State
Office of the State Public Defender
Joint Committee on Administrative Rules
Missouri Senate



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