

February 4, 2016

The Honorable Gregory Smith, Chairperson
Senate Committee on Corrections and Juvenile Justice
Statehouse, Room 441-E
Topeka, Kansas 66612

Dear Senator Smith:

SUBJECT: Fiscal Note for SB 374 by Senate Committee on Corrections and Juvenile Justice

In accordance with KSA 75-3715a, the following fiscal note concerning SB 374 is respectfully submitted to your committee.

Current law authorizes judges to approve sureties and appearance bonds in pending actions. SB 374 would make the existing statute apply to only uncompensated sureties, and implement a new approval process for compensated sureties. The bill defines compensated surety as “any person who or entity that, as surety, issues appearance bonds for compensation, is responsible for any forfeiture and is liable for appearance bonds written by such person’s or entity’s authorized agents.” Further, the definition provides that a compensated surety would be “either an insurance agent surety or a property surety.” Minimum substantive requirements would be established for the new applications, but the courts would be prohibited from charging a fee for administering the application process.

Under the new application process, the following would be required of compensated sureties:

1. Completion of minimum continuing education requirements; and
2. Reporting continuing education compliance to the judicial district, even if the district does not require an annual application.

The chief judge of the judicial district would be responsible for:

1. Terminating or suspending a surety’s authorization;
2. Recording the length and cause of any suspension that extends beyond 30 days;
3. Recording the cause of any termination;

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4. Conducting a hearing within 30 days for any surety whose service to the court has been terminated; and
5. Granting a time-limited conditional authorization when a surety has failed to complete continuing education requirements.

The bill also includes definitions for insurance agency surety and bail agent.

According to the Office of Judicial Administration, SB 374 would require additional staff time spent drafting a standard surety application form to be used by all districts as well as additional time spent by judges and clerks implementing and conducting the surety application and approval process for those judicial districts that do not currently have one in place. The Office indicates the process would involve accepting, reviewing and approving surety applications, holding hearings for suspended and terminated surety authorizations, and ensuring the continuing education requirement is met. However, until the courts have had an opportunity to operate with the provisions of SB 374 in place, an accurate estimate of the fiscal effect on expenditures by the Judicial Branch cannot be determined.

Sincerely,

A handwritten signature in black ink, appearing to read "Shawn Sullivan", with a horizontal line extending to the right.

Shawn Sullivan,
Director of the Budget

cc: Ashley Michaelis, Judiciary