



Insurance Department

State of Utah

GARY R. HERBERT
Governor
SPENCER J. COX
Lieutenant Governor
TODD E. KISER
Commissioner

Bail Bond Oversight Board Meeting

(http://www.insurance.utah.gov/producers/bailbond_board.html)

Date: January 14, 2015

Time: Noon

Place: East Building, Copper Room

Board Members

xBrad Jenkins (Chair)	xRyan Cooper
xCraig Crawford (Co-Chair)	xGordon Wright
xLt. Kati Booth	Peter Stevens
xStephen Aina	xBrett Barratt (Non-voting Member)

Staff

xTodd Kiser, <i>Insurance Commissioner</i>	Perri Babalis	xSuzette Green-Wright
xCathy Burton	xKathy Archuleta	xKris Benavidez
xSteve Gooch		

Public

Roger Cooper	Clay Carlos	Wayne Carlow
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MINUTES

- **General Session (Open to the Public)**
 - **Welcome** (12:01pm)
 - Introduction of Steve Gooch / Todd Kiser
 - Adoption of Minutes for Oct. 8, 2014 / Chair
 - Adoption of Minutes for Dec. 16, 2014 / Chair
 - **Motion** by Gordon to adopt October and December minutes. Seconded by Ryan. Motion passes.
- **Executive Session - If Needed (Closed to the Public)**
- **General Session (Open to the Public)**
 - **Approve Recommended Actions from Executive Session** – Not needed.
 - **Licensing Report for October through December** / Cathy
 - Cathy cautions agencies to look carefully at agents whose licenses have lapsed. When a license lapses in Sircon, the connection with the agency is terminated immediately. When a license is reinstated, it does not reassociate the agent with the agency. If an agent is representing an agency without being associated with it, there could be fines for both the agent and the agency.
 - Brett asks if there are repeat offenders on the reports. Cathy says there are a few, but generally there are only one or two agencies that repeat, and she believes it's mostly due to their record keeping.
 - Cathy has spoken with Kim Allred in the courts about bonds and exonerations. She said court clerks are working with case managers to ensure bonds are exonerated when they need to be. If there is a problem, bond agents should let Cathy know.

- Brad asks if exonerations have been defined with the court. Cathy says she and Kim determined that if a person has gone to court, their bond should be exonerated.
- **Summary of Enforcement Reports / Cathy**
 - Proposed Penalties for Board's Review: None
 - Agency Audit Update / Cathy
 - The main issues she's seeing have to do with forms not being submitted as they should be. She has invited Kris Benavidez and Kathy Archuleta to speak about the issues.
- **New Business**
 - Producer Licensing / Kris Benavidez
 - Agencies should login to Sircon to start the process. For now, they'll need to know the agent's Social Security number, but the department is working to allow license number instead of SSN. There's a fee for adding and terminating people. Multiple people must be added one at a time. Terminations require additional steps that involve contacting the department offline.
 - Brad asks if agents who are terminated for cause are reviewed if they reapply later. Kris says yes, and that they are referred to market conduct. If there is court paperwork involved, that should be copied to the department as well.
 - All licensing is done electronically. If the department receives a paper form, it will be as if it wasn't received by the department.
 - Wayne asks if an agent license lapses, will it have to be reassigned? Kris says yes, and the same thing goes for agencies too. If an agency license lapses, all agents would need to be reappointed.
 - Brett asks if the department sends out notifications to agents/agencies whose licenses are lapsing. Kris says yes, they will be e-mailed 75 days before their license lapses. The department has discovered an issue where at renewal, e-mails aren't captured; the department is working on it. It's just a courtesy e-mail, so the department isn't responsible if an agent/agency doesn't have an e-mail on file.
 - Kris notes that PSI is the new vendor for fingerprinting and licensing, and gives a breakdown of the procedure. State agencies don't share fingerprinting information, so bond agents must be fingerprinted through the department even if they've already been printed for another department too.
 - The flyer Kris created and distributed at the meeting will be posted on the bail bond section of the department website.
 - Property & Casualty Forms / Kathy Archuleta
 - Forms must be submitted to the department (to pcforms@utah.gov) 30 days prior to changes being made effective. If the department has an objection, the filer has 30 days to respond with changes.
 - Brad asks what the biggest issue is and how the industry can improve. Kathy says it's that all forms that will be seen by the public must be filed.
 - If a company receives an objection letter regarding their current materials, they must cease using the form immediately.
 - Wayne asks if companies can call Kathy to find out if a form is approved. Kathy says he could call to find out if a letter has been sent, but she wouldn't verbally approve a form. Commissioner Kiser suggests waiting to receive formal approval in writing before getting forms printed. Kathy could respond in writing via e-mail if necessary.

- Kathy has been adding form filings into SERFF so bond agents can go into SERFF to see the forms they've filed.
- **Old Business**
 - 2015 Legislation / Brad & Brett
 - Brett says he hasn't seen anything regarding a bail bond bill, and the commissioner confirms it. Sen. Curt Oda may have something in the works, but he hasn't approached the department.
 - Brad asks if the department's bill has anything about bail bond in it. The commissioner and Brett say no. Suzette says she was at a Business and Labor Committee meeting where Sen. Oda addressed dual licensure for those who are bail bond agents and bail enforcement, but that's as far as it went.
 - Brett explains that the department's bill generally has critical insurance matters in it that are largely required for compliance with other legislation. The commissioner notes that bail bills will be worked on during the interim period.
- **Other Business**
 - Brett asks about the bankruptcy of a licensee. Cathy says they're working to determine what's going on. Brett asks what the name of the business is, noting that bankruptcy filings are public. Cathy says the person is Darren Brady, who is the owner of The agency is Rebel Bail Bonds, and it is going through Brady has filed a personal Chapter 11 reorganization. The department is investigating how a personal bankruptcy of this sort will affect the agency's license.
- **Adjourned**
 - **Motion** by Gordon to adjourn. Seconded by Ryan. Motion passes.
 - **Next Meeting:** April 8, 2015, Copper Room, East Building

2015 Meetings (Noon to 1:30pm)

Jan 14, 2015 Apr 8, 2015 July 8, 2015 Oct 14, 2015