



## State of Utah

GARY R. HERBERT

*Governor*

GREG BELL

*Lieutenant Governor*

NEAL T. GOOCH

*Insurance Commissioner*

# Insurance Department

## Bail Bond Oversight Board Meeting

[http://www.insurance.utah.gov/producers/bailbond\\_board.html](http://www.insurance.utah.gov/producers/bailbond_board.html)

**Date:** January 11, 2012    **Time:** Noon

**Place:** Spruce Room  
East Building behind Capitol

### *Board Members*

(Attendees = x)

xBrad Jenkins (Chair)

xGordon Wright (Co-Chair)

Megan I. Corrent

xPeter Stevens

xRyan Cooper

xCraig Crawford

xLohra Miller

Brad Tibbitts (Non-voting)

### *Staff*

xSuzette Green-Wright

xJilene Whitby

xPerri Babalis

Randy Overstreet

Brett Barratt

xPaul Throckmorton

### *Public*

Clay Carlos

Shayne Hoyt

Ty Webber

Wayne Carlos

Dave Thomas

Kitty Rasmussen

Thomas Pappas

Jone Crane

### MINUTES

- **General Session (Open to the Public)**
  - **Welcome / Chair 12:02pm**
  - **Adoption of Previous Meeting Minutes / Chair**  
**Motion** by Lohra to adopt the minutes, seconded by Ryan, vote was unanimous. Suzette introduced Paul Throckmorton, the new market conduct investigator replacing Jaimee.
  - **Summary of Enforcement Reports / Paul**
    - Paul read the December monthly enforcement report:
      - ✓ 1 complaint was opened, 0 closed
      - ✓ 0 audits scheduled, 2 conducted, 0 closed
      - ✓ 2 investigations opened, 7 closed
      - ✓ 2 new e-cases, 0 closed
      - ✓ I-Cases; 3 have been open 0-90 days
        - 5 have been open 91-180 days
        - 4 have been open 121 – 180 days
        - 0 have been open over 180 days
    - Lohra asked what the “Failure to report a criminal action” was about on the Open I-Case report. Paul said it was in regards to misdemeanors by a bondsman. The law requires it to be reported to the department within 30 days. It was not. Action is being taken against the agent for 13 counts of cruelty to animals.
    - At 12:10pm Peter made a **motion** to go into Executive Session to review the new application and discuss character issues, seconded by Craig, the vote was unanimous.
- **Executive Session - (Closed to the Public)**

- At 12:20pm Lohra **moved** to close Executive Session and move into General Session, Craig seconded it and the vote was unanimous.
- **General Session**
  - **Application – APE Bail Bonds, LLC**  
Lohra **moved** to approve the application, seconded by Gordon, vote was unanimous.
  - **Approve Recommended Actions from Executive Session** (if needed)  
None to approve.
  - **Old Business**
    - **Discuss Deposits and the 10% Rule / Industry**  
Brad asked attendees for comments. None given.
    - **Chapter 35 Proposed Revisions / Suzette**
      - ✓ Suzette provided handout showing the bail bond changes in the department’s bill. It eliminates pre-licensing CE.
      - ✓ It was noted that the year in Subsection (4) of the second page should be changed to 2013.
      - ✓ Subsection 31A-35-401.5(4)(a) requires 2 hours of CE that does not have to be bail bond related. Anyone unable to find a class should call the Producer Licensing Division, 801-538-3809. On line classes are acceptable.
      - ✓ Gordon would like to see owners required to take CE. Suzette said we could not require unlicensed owners to take it. Wayne gave Suzette proposed language to fix this. Brad agreed that owners should take CE to know how to monitor their agents. Suzette did not know if the department’s database could delineate licensed and unlicensed owners.
      - ✓ Section 607 of the bill requires sureties to file forms used by their agencies with the department eliminating the need for agencies to file them.
      - ✓ Lohra asked how it can be verified that a person does not understand a principle? She suggested that instead of requiring CE the department should have a person sign a statement when they get a new or renewal license that states they understand the bail bond rules and laws. Wayne said that taking a class doesn’t mean the person knows the material. He liked her idea.
      - ✓ Lohra suggested deleting CE amendment from the bill. Gordon made a **motion** to delete all of Subsection 31A-35-401.5(4) and (5) from the department’s bill and add the signature page on new and renewal applications, Lohra seconded it. Motion was discussed. It was suggested that a link to the code chapter dealing with bail bonds be linked in the application and signing documents. Suzette will take the suggestion under advisement.
      - ✓ Wayne Carlos questioned the department on 31A-35-607(1)(b)(i) and the need for a “unique form number” on the contract. Suzette explained if the contracts are all the same, it is a single form number that needs to be at the bottom of the page. It is not like a bond number that needs to be sequential.
      - ✓ Motion to remove all of 31A-35-401.5(4) & (5) was repeated by Gordon, Lohra seconded it and the vote was unanimous.
      - ✓ Gordon made a **motion** to recommend the current (CE) law, as it exists, not be enforced until the current law is withdrawn. Perri said his recommendation could not be enforced. Gordon withdrew his motion.
  - **New Business**
  - **Other Business**
    - Wayne said that one day was not enough time to deposit money into a trust account. Put on agenda for next month.

- Woman asked if CE requirements eliminated before her license renews next year, would she still need to take CE. Suzette said she would not.
- *Adjourned*
- **Next Meeting:** February 8, 2012, Spruce Room, East Building

**2012 Meetings**

<del>Jan 11</del>	Feb 8	Mar 14	Apr 11	May 9	June 13
July 11	Aug 8	Sept 12	Oct 10	Nov 14	Dec 12