



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)

Date: January 9, 2013 **Time:** Noon **Place:** Spruce Room, East Bldg.

Board Members

(Attendees=x)

xBrad Jenkins (Chair)	Ryan Cooper
xGordon Wright (Co-Chair)	xCraig Crawford
Megan I. Corrent	xLohra Miller
xPeter Stevens	xBrett Barratt (Non-voting Member)

Staff

xPerri Babalis	xCathy Burton	xJilene Whitby
xSuzette Green-Wright		

Public

Garry Walton	Wayne Carlos	Thomas Pappas
Wayne Kidd		

MINUTES

- **General Session (Open to the Public)**
 - **Welcome** 12:04
 - **Introduce New Staff Member, Cathy Burton** / Suzette
Cathy Burton has replaced Paul Throckmorton. She has worked 30 years for the state starting with Recovery Services, then Office of Debt Collections, and the Insurance Department in the Producer Licensing Division and now the Market Conduct Division.
 - **Adoption of Previous Meeting Minutes** / Chair
Motion to adopt the minutes by Lohra, seconded by Pete; the vote was unanimous.
- **Executive Session - If Needed (Closed to the Public)**
- **General Session (Open to the Public)**
 - **Summary of Enforcement Reports** / Cathy
Cathy read the enforcement report covering October through December.
It will be a year or so before more audits are done.
Garry asked if follow-ups were done with complainants. **Cathy will get back with him on that.**
 - **Application** – None
 - **Old Business**
 - **Are We Insurance Companies as per 31A-35-102 and 401?** / Gordon
Suzette said the AG had told her the language may be conflicting. She told the Board that they had agencies and were subject to the insurance code. They were not insurers.
 - **New Business**
 - **What Can the Board Do to Assist the Department? What Role Can they Play?** / Suzette, Brett

- Brett provided a handout. The bullet points indicate where the Department needs help. He welcomed input.
- Brad said Jaimee had created a relationship with the courts that alleviated pressure on bondsmen. Problems are arising again since she left. He encouraged keeping communication lines open with courts. Cathy agreed. She knows many of the people at the courts already. **Brett will let them know at the next meeting what the Department is doing in this area.**
- Gary applauded the State's audit of the Insurance Department.
- Gary said the Board was not fulfilling mandates in 31A-35-201 & 202 that says they will recommend all renewals, suspensions, etc. All the Board is seeing is new applications without enough information to make a good decision. Perri said that the reference in the code to granting of licenses deals with companies and not individual or agency licenses. Suzette or Cathy noted that the renewals are done only in July. The Board has not been given this information for some time because it is all done electronically. Perri said actions resulting in suspension should be brought to the Board. The same with revocations. She didn't know if they had ever had one. Brad and Garry said there had been some reinstatements. Brad will talk with Suzette about them. Pete asked if there was a report with this information. Suzette said there wasn't. Lohra said many of these functions are meaningless since the statute is clear about what triggers each situation and the Board has no authority in relation to it.
- Suzette suggested sharing information about repeat offenders with the Board for their input. Lohra said they didn't get enough information to make a decision. She suggested changing the statute. Brad agreed and asked if they were making a difference.
- Pete said it would be good to see a list of renewals so they could make comments. Why are we not getting complaints as before? Perri said it was because the statute had changed and because of privacy concerns.
- Perri said 31A-35-202-1b or d do not talk about investigations.
- Brad asked if the Department wanted them to have more or less influence. Brett said an association could be a great help here. As far as the Board is concerned we have confidentiality issues that limit us from sharing. If the Board went away the Department would like some mechanism to maintain some formal relationship with the industry.
- Brad asked if the Department had confidential issues with other groups they held meetings with. Brett said the Title Commission had rulemaking authority and reports to them are sanitized for confidential purposes. Perri said Real Estate is similar to Title. Brett said advisory boards meet with the Commissioner prior to the legislative session or whenever requested, to give input on issues. Craig said that if the Board did not exist the commissioner could work with them much like the advisory Boards.
- Lohra suggested they consider having quarterly meetings.
- Suzette suggested they review renewals. Gordon said it was pointless to see renewals if they can't see financials and they don't have any authority. Garry suggested that if the law requires the Board to make recommendations then it does not make sense to not be able to see background material.
- Brad noted that it was too late to change the code this year but should consider changes next year.
- **Lohra suggested the Department make changes to stop the drain on the Department. Suzette said they would need a letter from the Board.**

- Lohra **moved** to recommend to the Commissioner that he examine the duties and structure of the Board and decide if it is a fiscally realistic way to proceed or if there are changes that should be addressed legislatively or otherwise to make sure the taxpayers are not wasting money on a superfluous board. Craig seconded it. Brad suggested getting with the association to see what they wanted. Lohra said the purpose for the Board and its duties had changed and diminished. We are serving no purpose. The vote was unanimous in favor of the motion.
- Lohra made a **motion** that they meet quarterly. If they need to review applications they could do it by teleconference. Gordon seconded it and the vote was unanimous.

- **Other Business**

Suzette reported back on the question as to whether Action Bonding was properly licensed to sell immigration bonds in Utah. They are.

- *Adjourned 12:50PM*

- **Next Meeting:** February 13, 2013, Spruce Room, East Building

2013 Meetings

~~Jan 9~~

Apr 10

Jul 10

Oct 9