



D. KENT MICHIE
Insurance Commissioner
Utah Insurance Department

JON M. HUNTSMAN, JR.
Governor

JOHN 'MICKEY' BRAUN, JR., CIE
Assistant Commissioner
Office of the Commissioner

Bail Bond Oversight Board Meeting

Meeting Information

Date: February 20, 2008

Time: Noon **Place:** Heber Wells Bldg. 5th Flr
160 E. 300 S.

Board Members

(Attended = x)

xDominic Sanone, Chairman
xClayton A. Simms, LLC
xCamille L. Neider
xMickey Braun

xWayne Carlos, Vice-Chairman
Michael Weddington
xBert Christenson

Insurance Department Staff

xPerri Babalis
xJilene Whitby

Darrel Powell
xRobert Herrera

xTara Buehner

Tracy Klausmeier

Public

Doug Short

MINUTES

Welcome

Executive Session (Closed to the Public)

General Session (Open to the Public)

- **Adoption of Minutes of Previous Meeting**
Camille made a **motion** to accept the minutes, Wayne seconded it and the vote was unanimous.
- **Approval of Recommended Actions from Executive Session**
Camille made a **motion** to explore the feasibility of issuing a Cease and Desist on an agency and include the phone number. Wayne seconded it and the vote was unanimous.
- **Application** / Mickey Braun
None
- **Old Business**
 - **Update on New Board Member** / Mickey
Mickey noted that a second application for the public board member application came in. The Commissioner asked him to interview both applicants, which he did. He then reviewed the applicants with the Commissioner, who then appointed Megan I Corrent to fill the General Public position. She is being notified by mail of the appointment and should be at the next meeting.
 - **Review Minimum Percentage Charge Rule**
Mickey has made changes to Rules R590-186, Bail Bond Surety Business, and R590-196, Bail Bond Surety Fee Standards, Collateral Standards, and Disclosure Form. The standard is imposed in R590-196.
 - The minimum fee should say, "not less than 10%."

- Dominic had three issues. It is difficult to qualify members and there are many reasons to discount a case, too many reasons to list in a rule. Camille suggested doing it carte blanche. All agreed.
- Dominic referred to R590-186-7.(31). The "failure to initiate a legal form of collection" 180 days after failure to pay could be 360 days after the issuance of the bond. Perri suggested clearing this up by putting a period after, "from the date the bond was issued," then deleting the wording after that.
- Eliminate (31)(b) and (32)(e). Dominic was concerned that "discounted bond" would be all unpaid bonds with financing agreements. All were concerned about the burden enforcement would create. This is an issue of legitimate bad debt. Camille suggested that as long as timely payments were being made a bond should not be considered discounted. Eliminate R590-196-4.(1)(C)(III).
- Wayne was concerned about the definition of "collecting." Mickey said that one would have to show the terms of the collection agreement. A bond that is unpaid and has no finance agreement would be considered a discounted bond.
- Perri suggested combining R590-196-4.(1)(B) & (C).
- Perri noted grammatical correction in R590-186-5.(2), "discounted bonds" not "bond." She also pointed out a couple of others, which were noted.
- Mickey will make the changes and then email the rules to the Board for review. Once the department receives a go ahead from five Board members the department will file it to begin the formal rulemaking process. A hearing will also be scheduled.
- Doug noted that there was ambiguity in R590-195-31. Who knows when litigation begins? He suggested it begin from the date the litigation is filed or the debt is assigned to a collection agency. All agreed.
- **Unpaid Forfeiture Judgments (Office of Dept. Collections) / Tara Buehner**
Tara will send unpaid forfeiture judgments back if they are not completed exactly as required by law. She said that a letter was sent to all justice and district courts throughout the state as promised in the last meeting. The letter instructs them to send forfeiture notices to the department not State Collections. She has received quite a few calls from courts regarding this matter.
- **New Business**
 - **New Procedure for Processing Agency Amendments / Tara Buehner**
The procedure to process agent and agency amendments is totally electronic. A letter regarding this process will be sent to all bail bond licensees this week. Only one personnel change can be made on each amendment form and will cost \$5. After the amendment is processed contact Tara or Julie to let them know so they can finish the process. This is a simple process. Mickey noted that department charges \$25 to processes hard copies of the amendments.
- **Adjourn:** At 1:33pm Camille made a **motion** to adjourn, it was seconded by Wayne with a unanimous vote from all.

2008 Meetings

	Jul 16, Rm 1112
Feb. 20, Beehive Rm	Aug 20, 1112
Mar 19, Rm 1112	Sep 17, 1112
Apr 16, 1112	Oct 15, 1112
May 21, 1112	Nov 19, 1112
Jun 18, 1112	Dec 17, 1112