



## 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:** March 14, 2012

**Time:** Noon

**Place:** Room 3112

State Office Bldg behind Capitol

### *Board Members*

xBrad Jenkins (Chair)

xGordon Wright (Co-Chair)

xMegan I. Corrent

xPeter Stevens

Ryan Cooper

xCraig Crawford

xLohra Miller

xBrad Tibbitts (Non-voting)

### *Staff*

Suzette Green-Wright

xPaul Throckmorton

Perri Babalis

xJilene Whitby

Brett Barratt

Randy Overstreet

### *Public*

Dustin Norman

Thomas Pappas

Annette Jones

Wayne Carlos

## MINUTES

- **General Session (Open to the Public)**
  - **Welcome** at 12:10pm by Brad.
  - **Adoption of Previous Meeting Minutes / Chair**  
**Motion** by Lohra to approve the minutes, seconded by Craig and the vote was unanimous.
- **Executive Session - Not Needed (Closed to the Public)**
- **General Session (Open to the Public)**
  - **Summary of Enforcement Reports for Jan/Feb / Paul**
    - 1 Open & 1 Closed Complaint.
    - 5 audits conducted and working on the last 3 audits.
    - 6 Open Investigations and 5 Closed.
    - 1 New Enforcement Case.
    - 13 Enforcement cases still open because of appeals. Most are fiduciary violations.
    - Questions and answers:
      - ✓ Brad: Is the new process working where people bring information to the department for an audit? Is the department getting all the information they need? Paul: It is working and we are receiving the information we need.
      - ✓ Brad: How many years between audits? Paul: Will check and let him know.
      - ✓ Brad: What is average time to do an audit? Paul: It varies depending on the number bonds issued by an agency. Part of the delay is response time and interruptions. He works with more than bail bond licensees. Retrospective period will be between audits.
    - Reminder: An agency cannot act as a cosigner and agent for the same person. Brad said this is fairly common. A professional cosigner is legal but not if they represent themselves as an agent.
    - Reminded the Board that renewals are going out now. Those who are collateral backed will need to file financial information.
    - **Application** – None
  - **Old Business / None**

○ **New Business**

▪ **Discuss Time Period to Deposit Money into a Trust Account** / Industry

Discussed pros and cons of extending deposit time requirement from 1 to 5 days. The 24 hours requirement is the standard with all licensees.

✓ Brad T. and Paul said licensees have a fiduciary responsibility when they are in possession of another person's money which is why there is a limited time to secure it.

✓ Paul was asked to see how many violations had been due to this issue.

✓ Lohra made a **motion** to take no position on the issue and let the department decide if there is a reason to deviate from the standard, seconded by Megan, opposed by Craig, approved by other board members.

▪ **Legislature's Government Operations Survey of Boards and Commissions in the State** / Brad Tibbitts

▪ **Discuss [Bulletin 2011-5](#), Prohibited Bail Bond Solicitations** / Paul

There is nothing in this bulletin about advertising on wearing of apparel. He has received a number of complaints about advertisements on clothing in the courts.

✓ Brad: The only way to regulate it is to ban it completely or say nothing about it.

✓ Lohra: This could be a freedom of speech issue.

✓ Brad: Judge and courts do not like people advertising in their courts and could go against the bail bond industry as a whole.

✓ Gordon: Asked how to file a complaint about someone leaving advertising materials in the courts? He suggested Paul check out Taylorville's court window.

✓ Lohra emphasized that soliciting at the court is a violation.

▪ **Legislative Update** / Brad Tibbitts

✓ As of July 1, 2012 bail bonds will need a number on them and will need to comply with the changes in 31A-35-607 of [HB 29](#).

✓ [HB 29](#) eliminates requirement for continuing education and pre-licensing education, 31A-35-401.5.

✓ If an agency is collateral backed they must file their forms with the department when they are new or changed. Agencies that are surety backed must use the forms they file with the department. Forms must be filed 30 days before using them.

• **Other Business**

• **Adjourned Motion** by Gordon to adjourn at 1:03pm.

• **Next Meeting:** April 11, 2012, Spruce Room, East Building

**2012 Meetings**

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