



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: April 10, 2013

Time: Noon

Place: Spruce Room, East Bldg.

Board Members

(Attendees = x)

xBrad Jenkins (Chair)

xGordon Wright (Co-Chair)

xMegan I. Corrent

xPeter Stevens

xRyan Cooper

xCraig Crawford

Lohra Miller

xBrett Barratt (Non-voting Member)

Staff

xPerri Babalis

xSuzette Green-Wright

xCathy Burton

xJilene Whitby

Public

Thomas Pappus

Don S.

Wayne Carlos

Clay Carlos

Todd Harris

Gary Walton

Ed Simone

Pete Stevens

MINUTES

- ***General Session (Open to the Public)***
 - **Welcome** 12:05pm
 - **Introduce Commissioner Todd Kiser to the Board / Brett**
Commissioner was unable to attend. Brett provided background information about him.
 - **Adoption of Previous Meeting Minutes / Chair**
Motion by Gordon to approve, seconded by Megan and the vote was unanimous.
- ***Executive Session – Not needed***
- ***General Session (Open to the Public)***
 - **Summary of Enforcement Reports / Cathy**
Cathy provided a handout with three months of enforcement activity. She went to district courts, introduced herself, gave them her card and explained who she was. She found two calendars from Beehive Bail Bond one court's windows, explained the law and they took them down. She also talked with Mike Winget, a member of the Sheriffs Association and asked if she could attend their meeting. She talked with BCI, went to the Salt Lake Jail a couple of times, and is calling the jails that are further away. Brad asked if any of them had tried to contact her with problems. Cathy said only when there are forfeitures.
 - **Application** – None
 - **Approve Recommended Actions from Executive Session** (if needed)
 - **Old Business**
 - ✓ **What Can Board Do to Assist Department; What Role Can they Play?** / Suzette, Brett
Suzette provided a handout showing Board responsibilities as described in the code.
 - ✓ Meet quarterly.
 - ✓ Make written recommendations on rules.

- ✓ Provide input on agent licensing renewals, lapses, reinstatements. She provided them with. **Gordon noted that he was not on it. Suzette will check on it.**
- ✓ Can review and either raise or lower the bonding limit.
- ✓ Brad asked if the Department received complaints of unprofessional conduct. Suzette responded, “Rarely.”
- ✓ Informal orders are simple issues that may be specified in a rule or the code and are acted on by the Department without the review of the Board. These would be issues like failing to respond to a letter from the Department. Brad asked that the Department look at the type of complaints they were getting and decide which could be categorized as Informal Orders. **Suzette will make up a synopsis of violations for the past few years.**
- ✓ Review agency applications. Brad asked about issue of winding down. What happens after a letter of credit expires. What do you go after?
- ✓ Recommend renewing, lapsing, reinstating agency licenses. Board cannot see the agency’s financials. They would not be renewed unless they were financially solvent. New agency financials are being reviewed very carefully, especially when they are not backed by an insurer. Brad said that they are happy with the way the department is handling it but would like input when there is a red flag. Gary expressed concern with the type of assets backing an agency. He did not see a problem with revealing real property with values up to \$100,000. **Suzette said she would have to ask counsel about that.** Pete asked if the Department checked the value placed on real property? Suzette indicated that they check on them occasionally and rely on CPA audit to be accurate. Gordon suggested only bringing agency renewals to the Board when there are questions. Other Board members agreed. Suzette said she does credit checks when there is a red flag. Todd reminded everyone that the law requires an individual to let the Department know when their financial status changes.
- ✓ Board may conduct investigations. Dominic asked if the Board was seeing complaints now. Suzette said no. Most complaints come from the courts. She will start giving them a summary of complaint, minus names. Suzette asked the board to let her know when they hear about unlicensed bail bondsmen working in Utah.
- **Amendments to R590-186-8, Investigating Unprofessional Conduct / Perri**
 - ✓ Perri provided a handout of the rule with proposed changes that will eliminate the “may” and “shall” conflict between the rule and code.
 - ✓ Discussed unprofessional conduct and what it was. Perri referred to the list of unprofessional conduct in R590-186-7. It was decided that the list included about every kind of misconduct. The Department will bring to the Board proposed penalties for their concurrence before taking action.
- **New Business**
 - ✓ **After Examining the Duties and Structure of the Board, Does the Commissioner Think it is Fiscally Realistic to Proceed or Should Legislative Changes be made to the Board and it’s Duties?** / Commissioner Kiser
 - ✓ **Replacement Process for Board Opening** / Brett

The terms of three board members will expire June 31, 2013. Jilene referred to the Special Notice in their packet that was on the web. It provides instructions about how to apply for the positions. A resume with a cover letter should be sent to Brett. Commissioner Kiser will make the final decision.
- **Other Business**

Wayne Carlos announced that the Bail Bond Association is asking for legislative recommendations for the next session as well as a sponsor. Their next meeting will be in

May. Brett noted that the Department was working on a bill for next year, which should be completed by the end of the summer.

- **Adjourned:** **Motion** to adjourn at 1:05pm by Gordon and seconded by Megan.
- **Next Meeting:** July 10, 2013, Spruce Room, East Building

2013 Meetings

~~Jan 9~~

~~Apr 10~~

Jul 10

Oct 9