



State of Utah

SPENCER J. COX
Governor

DEIDRE M. HENDERSON
Lieutenant Governor

Insurance Department

JONATHAN T. PIKE
Insurance Commissioner

Bail Bond Surety Oversight Board Meeting

(<https://insurance.utah.gov/licensee/other/bail-bond/board>)

Date: April 21, 2021

Time: Noon

Place: TELECONFERENCE ONLY

ATTENDEES

BOARD MEMBERS

- xClay Carlos (Chair)
- xDominic Sanone (Co-Chair)
- Lt. Ken Jones
- Chad Woolley
- xTony Choate
- xBonnie Johnson
- xCurt Oda
- xReed Stringham (Non-Voting)

DEPARTMENT STAFF

- xJon Pike, Insurance Commissioner
- xSteve Gooch, PIO Recorder
- xTracy Klausmeier, P&C Dir.
- xDanny Schoenfeld, Finance Dir.

PUBLIC

- Todd Harris
- Ali Jensen
- Skip Pappas
- Gerald Conder
- Christie Ellis
- Melody Jenkins
- Ryan Cooper

MINUTES — Approved

General Session (Open to the Public)

- Welcome / Clay Carlos, Chair (12:09 pm)
- Reading of anchor location determination
- Telephone roll call
 - Attendance code #1: **050802**
 - Chad Woolley is excused.
- Adoption of Minutes for January 13 meeting
 - **Motion by Dominic to adopt minutes. Seconded by Curt. Motion passes 5-0.**

Executive Session - If Needed (Closed to the Public)

General Session (Open to the Public)

- **Approve Recommended Actions from Executive Session** – Not needed
- **Summary of Reports**
 - Quarterly Accounting for Bail Bond Administration Account / Danny
 - For the third quarter, there were \$453 in expenses, which were primarily personnel expenses. Year to date, expenses have been \$6,760.61.
 - **Motion by Tony to approve the summary report. Seconded by Dominic. Motion passes 5-0.**
- **New Business**
 - UID webpage listing bail bond agency phone numbers / Clay
 - Clay says the UID website has a listing of current and past sureties. It gives a consumer the ability to verify whether a company was in business and get information about it. He says the list is an important resource and should be in existence, but the issue is that, for his company, the phone number listed on the page is an administrative number, not a business phone number. As

things have involved on the internet, Google has relegated bail companies to not be able to do any ad spending. His impression is that they've challenged companies in organic scoring on SEO for bail bonds. As that evolution has taken place, the UID website is now prominent in Google search results. He notes that the UID website is at or near the top of a search for any "Utah bail bonds" search. Clay says it's a problem for his company because it has become a primary or substantial means for consumers to find a bail bond company for their services. If a company only has one number that's listed, it's not an issue, but others that are farther down the alphabetical list, they may not understand how many calls may be coming in from that list. He says he's surprised about the number of business calls he gets on that admin number. He has people from all over the country trying to get bonds all over the state calling this admin number, which isn't the right place for them to be going. He thinks it's an unfair advantage for those at the top of the list, and it's become more prevalent as the UID's page has gained prominence. Traditionally, published lists by government agencies that have bail companies will rotate them once a month so everyone has a fair chance. He's had some discussion with the UID about it and nothing has been concluded. He says Reed mentioned in an email that publishing the phone numbers isn't required in the code, but it's a requirement to have a listing of the companies. He thinks the phone number is the issue. He thinks a solution would be to eliminate the phone numbers from the list. He wouldn't want to go down the road of a more extensive solution, like having the IT guy rotate the list every month or try to change the organic score the UID has, so it wouldn't be so prominent on a Google search for bail bonds in Utah. He says he's spoken with a few people in the industry and isn't the only person who has this concern.

- Steve says regarding taking the phone numbers off, as long as the statute, Reed, and Perri are OK with it, it wouldn't take him too long to do it. Maybe 10 minutes. Clay thinks that would be an excellent solution to make it more fair. If you're lower on the list, you may not realize how much business comes through from the list. In his organization, he's fielding at least one call a day, and often more. He hasn't heard of complaints from people at the top of the list, but it's an issue. Unless anyone is opposed to removing the phone numbers, he'd like that to be entertained.
- Dominic says that's not ideal. How would consumers locate someone they're searching for? Clay says they have an email address and mailing address. Dominic says he often refers people to the list who are looking for help. Clay says he understands that it's convenient, but there's an unfair advantage for those at the top of the list, just like the lists in the jails.
- Todd Harris is at the top of the list and he says he's not getting much business from it. He says he'll support whatever the Board decides. He notes that it's a valid point, and that he pushed a rotating list several years ago. Clay says he doesn't publish his admin number anywhere besides the UID list, and now he's getting calls from within jails from this admin number. He attributes that to inmates having internet access within the jails. He's open to alternatives to removing the phone number, and thinks the best alternative might be rotating the list once a month. He understands Dominic's perspective that the list is convenient for referring from one company to another. He thinks an alternative might be having the UAPBA creating a list of bail bond companies, but the UAPBA wouldn't have the same SEO pull that the UID has.
- Steve says rotating the list wouldn't take too much time either. He'd need to remember to do it once a month, unless Wordpress has a tool that someone's made that would rotate the list. If he had to do it manually, it may not take him more than 10 minutes a month anyway. Clay asks if it would be possible to put the inactive companies in a different place, because it can take several months to reach the top of the list, and it would make more sense if the active companies were on the rotating part and the others relegated to the end. Steve says it would depend on what the tool could do if there is a tool, but if it's Steve doing it manually, he'd just skip to the next active one and move the inactive ones down. That would preserve the alphabetical order, but nobody would ever see an inactive company at the top.

- Clay says since the Board only meets once a quarter, he'd like to get it taken care of today. He's open to alternatives to removing the phone numbers or rotating the list. He asks for feedback from the other board members or the industry.
- Tony says the phone numbers need to stay there. He says it's important when people look up a company that there's a number there to call. He's more in favor of rotating the list.
- Dominic concurs. He says if Steve can rotate it, that solves the problem.
- Steve asks if he can find a tool that could randomize the order when a person hits the page, would that be of interest? Clay says he says he could see a company questioning if the list truly shuffles people if one company continually is at the top of the list. He knows some of that stuff has come up with the UAPBA regarding the jail lists, which is why they settled on the rotating list. Then everyone knows they get their one month at the top of the list. Then everyone can see that it's being done fairly and equitably.
- Reed thinks it's critical that we iron out how the rotation will occur. He's concerned people may be ticked off if it takes 8 months to get to the top of the list if it's randomized, or if it's not randomized, he's concerned that people will think the UID has a bias against them. He thinks it's critical to spell out exactly how the rotation will occur. He suggests doing it the same way the UAPBA does. Clay says the UAPBA does 12 different lists, so the positions are different at any given jail. He says the lists were done alphabetically, and then rotated accordingly. He's most concerned that it's a fair and equitable system, and thinks taking the list as it is today and any future companies be placed in the alphabetical order and then rotating accordingly.
- Clay says in the jails, the lists have multiple columns. When a company has had its month in the top left corner of the list, then they're rotated down to the bottom right corner. That could be done easily with the UID page, where the company at the top of the page rotates down to the bottom after their month is over. He says he's not too concerned about the direction the rotation happens, as long as there's movement. Reed says the only concern is having a new person at the top, and the others shift. Clay says his initial thought was that on a list of 30 companies, the company at #1 would move down to #30, and the company at #2 would move up to #1, but the direction isn't that important. He stresses that inactive companies should not show up at the top.
- For clarity's sake, inactive companies are struck through on the current online bail list. An active company is one that is currently licensed and has the ability to write a bond today. An inactive company is one that has surrendered its license or something of that nature, where their license is not active and they could not write a bond today.
- Reed asks why the UID even has a list of inactive companies on its website. Clay says it's probably because even after a bond company becomes inactive, it still has bonds in effect. They could have clients seeking collateral from them once they've had a bond exonerated, or things of that nature.
- Steve says the list is currently built as a table. He can take a couple of hours to rebuild the page so each company has its own entry that can be moved individually. Then the update would take less than a minute, and it would be only a matter of reminding himself to do it. He says Wordpress tracks when pages are updated, but he can put a note at the top of the page to show the last time the list was rotated.
- Steve says his preference would be to keep the whole list together, versus separating active and inactive. Keeping it alphabetical would make it easier for consumers to find a particular company, because they may not know to look in the inactive list. He says he'll just make sure to move inactive companies to the bottom whenever they get to the top.
- **Motion by Clay to suggest that the UID rotate the bail bond agencies list on a monthly basis, such that the top company moves to the bottom, bypassing any inactive companies, so an active company will be at the top of the list at any given time. Seconded by Tony. Motion passes 5-0.**
- **Old Business**
 - Expiring board member terms / Steve

- Steve says Dominic and Tony's terms are expiring in June. They can both be reappointed for another term, which the UID will consider. But if anyone else would like to be considered, they can send Steve a resume at sgooch@utah.gov by May 15.
 - Lt. Ken Jones got a new job at Summit County and has resigned his seat. His replacement, Lt. Kacey Bates, is willing to take Ken's seat. The UID thinks she'll be a great addition, having been with Summit County for 23 years. She's already sent Steve her information, and the UID will likely move forward with her. However, if anyone has a general public member they'd like to suggest, they can submit a resume as well.
 - Reed notes that Dominic and Tony have been great board members, but he understands they may have had a gutful of this and may want to move on. If they would like to continue, they can submit their names. The UID doesn't want to presume that they'd like to continue if they actually don't. Reed asks them to reapply if they would like so.
 - Clay says Dominic and Tony have been great to work with, and encourages them to reapply if they would like to continue.
 - Dominic asks how the process works. Reed says the Commissioner decides. He says if anyone is interested they should email Steve Gooch.
 - Steve says he'll put a note on the website too, so everyone has the information.
- **Other Business**
 - Clay notes that HB220 passed, which will repeal much of last year's HB206, which is the bill that gave the industry so much heartburn. He understands that May 5 is when HB220 goes into effect, but he's also heard three different dates. He says HB220 repeals most of HB206, except that the allocation of forfeiture money still goes partially to prosecutors and pretrial programs in the jurisdiction in which the judgment was placed, agents are only required to be notified of FTA through email instead of certified mail, and possibly one other item.
 - Curt asks if there's a fiscal note attached to HB220. Clay says he thinks there was because the courts will have to implement or reimplement things. Curt says unless it's specifically in the bill and there's a fiscal note, it will usually be effective on July 1. If there are no fiscal impacts, it'll be May 5. Clay says his inclination is that there may not have been a fiscal note then. The only effective dates he's heard are in May.
 - Clay says a couple of positives from HB220 is that the 180 days on a forfeiture goes back into effect, and the court's requirement to do a least restrictive means of release will go away, and will allow judges to use bail if they see fit. He notes that there's a challenge in that because it's done through computers. The Administrative Office of the Courts removed an entry point for a judge to use bail because it wasn't an option in the computer. He's heard through the grapevine that that's being addressed and the possibility of a judge to impose bail will come back.
 - Clay says there will be a working group that takes place over the summer to start hashing out some of the issues. He thanks law enforcement, defense attorneys, the ACLU, and Libertas, who were all instrumental in getting HB206 repealed. He believes, as a citizen of Utah, criminal accountability is something we need to be concerned with, and repealing HB206 is not just good for the industry, it's good for citizens and the defendant. Some of the things in HB206 created an unfair situation for a person accused of a crime and did not afford them their right to bail.
 - Tony notes that the bail list in Ogden hasn't been rotated since October.
 - Tony just tried to get an agent licensed, and the fingerprinting process is ridiculous. He says there are only two locations in the state: Taylorsville and St. George. He doesn't understand why they can't go to a sheriff's office to get fingerprinted. Clay shares his concern. He says he hired a new agent and had to wait two weeks to get it done. The new agent lives in St. George, but Prometric's fingerprinting machine broke down. A two-week lag is inadequate. The agent's only alternative was to drive up to Lehi, which wasn't an option because the agent has other obligations in town. Clay says he was out of business in St. George for two weeks. He says going to a sheriff's office to get fingerprinting done should be valid and acceptable. Curt asks if there's a statute or UID rule that says fingerprinting must be done in certain locations only. Reed says no, he thinks it's a chain of custody issue. If someone

gets fingerprinted at the sheriff's office and they have to take them someone else, how do they prove those are their fingerprints? Curt says that's always been a concern to some people, but for the concealed weapons program, anyone can do the fingerprints as long as the printer signs and dates it, and the person fingerprinted signs and dates it. He says that's a bigger concern than bail bond companies who will do background checks on anyone they will hire.

- Tracy says she thinks Prometric is the vendor for this type of thing. This is probably a better agenda item for the next meeting so Randy can participate.
 - Clay asks if the UID receives the fingerprints, or does Prometric send them to BCI for verification. Tracy says she doesn't know and it would be better to get Randy on the agenda.
 - Reed says he's pretty sure the UID's contract has more licensing locations than Taylorsville and St. George, but he's happy to follow up with Randy to discuss it at the next meeting. Tony says he spoke with Heidi at the UID, and she said those locations were it. Clay says he did his research on it too, and there are more than two locations — the other one is Lehi. There aren't locations all over the state. He says he contacted Prometric about it, and they suggested that he open his own office and become a Prometric location for fingerprinting. He says that was probably their smart-alec remark for him telling them they have a backwards system.
 - Clay says he doesn't believe the UID has the resources to process or keep fingerprints in a database. He's pretty positive it goes to BCI for confirmation. If that's the case, maybe a sheriff could do the fingerprinting and send it to BCI. That way, nobody is holding them because they go straight from the sheriff to BCI. He thinks the UAPBA could work something out fee-wise with the sheriffs. He knows they used to go to sheriffs in the past to get them done.
 - Curt asks about the extent of the background check using the fingerprints. If it's a national check, BCI will send them to the FBI. BCI will also check statewide and local jurisdictions, while the FBI won't.
 - **Clay adds a follow-up discussion about fingerprinting to the August agenda.**
- **Adjourned** (1:15 pm)
 - Attendance code #2: **180220**
 - **Motion by Curt to adjourn. Seconded by Tony. Motion passes 5-0.**
 - **Next Meeting:** August 11, 2021 — Bonneville Room, Taylorsville State Office Building

2021 Meetings (Noon to 1:30pm)

January 13, 2021	April 21, 2021	August 11, 2021	October 13, 2021
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