



State of Utah

GARY R. HERBERT
Governor

GREG BELL
Lieutenant Governor

NEAL T. GOOCH
Aptd. Insurance Commissioner

Insurance Department

Bail Bond Oversight Board Meeting

(http://www.insurance.utah.gov/producers/bailbond_board.html)

Date: May 11, 2011 **Time:** Noon

Place: Spruce Room
East Building behind Capitol

Board Members

xMichael Weddington (Chair)	xClayton A. Simms, LLC
xBrad Jenkins (Vice Chair)	xCamille L. Neider
xGordon Wright	xCraig Crawford
xMegan I. Corren	

Staff

xSuzette Green-Wright	Perri Babalis	xTracy Klausmeier
Brad Tibbitts	xJaimee George	xSilmara Charlesworth (for Jilene Whitby)

PUBLIC

Joshua Massey	Jill McEwen	Jody Gutierrez
Craig Crawford	Terry McEwen	
Gordon Wright	Thomas G. Pappas	

MINUTES

General Session (Open to the Public) 12:06

- **Adoption of Previous Meeting Minutes / Chair**
Motion made and passed unanimously to adopt previous minutes.

Executive Session - If Needed (Closed to the Public)

General Session (Open to the Public)

- **Approve Recommended Actions from Executive Session (if needed)**
Not needed.
- **Applications**
 - Department has received 3 new bail bond applications from bail bond agencies and 2 attorney's applications. It is still opened until May 15th. Suzette provided instructions on how to apply.
 - Mike, Camille and Clayton who is not here are the retiring board members.

Old Business

- **Statutory Wording Re: Wind Down of an Agency / Suzette**
It has come to the department's attention that there is no statute on how to wind down a bail bond company if they become bankrupt. No suggestions at this point on what to do. A meeting is being arranged to discuss it.
- **Agency Financials - Qualifying Assets / Jaimee**
Renewals are due July 15, 2011. Licenses will be placed on hold until financial requirements are met. The financial must be received in order for a license to be renewed.
- **Responsibility of Credit Card Fees Over 5% / Jaimee**

- Credit card fees need to be disclosed in initial fees and can only charge up to 5%. Opened for public comments and issue was discussed. Jaimee clarified that if it is not disclosed in the “initial fees” it is a violation.
- It was clarified how phone calls need to be charged and should be taken in the initial premium.

New Business

- **Bond Premium Financing (10% Rule) / Jaimee**
 - It was addressed how agencies are collecting and discounting bond premiums. In an audit it will be necessary for agencies to prove that they are making every attempt to collect the 10% premium, otherwise it will be viewed as discounting. Public discussed this issue with board and department.
 - Jaimee also addressed that bonds are being revoked due to failure to pay premium.
- **Bonding Reports / Jaimee**
 - This is regarding outstanding active bonds with the court system. Jaimee mentioned these reports can be relied on. Some agencies sent letter to courts asking for bonds to be exonerated. Jaimee will provide a letter upon request.
 - Some courts are still having trouble in Davis County and St. George. Jaimee requested that agencies having problems exonerating bonds call her.
 - Agencies should keep a running list of all active bonds.
- **Courts/Cases having problems getting bonds exonerated / Jaimee**
 - Jaimee requested agents to send her a list in an attempt to make an impact.
 - Questions from public were answered in regards to bond exoneration. Jaimee explained again that she is compiling a list in order to make an impact on this issue.
- **Operational Forms / Tracy**
 - Tracy explained that anytime there is change to the language, forms need to be re-filed with the department. Questions from public members were raised and Tracy explained how to proceed on re-filing forms.
 - Public member said bail bondsmen were not aware they were in violation of trust account laws and should have been warned before they were fined the audits.
 - A public member said he comes to these meetings for educational purposes and he would like the information to be brought to him before violations are found.
 - Continuing education was suggested as means of gaining information.
- **Audit Trends, Concerns, Points / Jaimee**
 - It was suggested that Jaimee put standard forms together in order to facilitate compliance for agencies.
 - Jaimee explained that for new agencies to be approved licensees should have at least 2000 hours working for a bail bonds company.

Other Business

- Mike mentioned the association and how to join.
- If anything needs to be on the agenda, contact Jaimee, Jilene or Suzette in order to have it added for next meeting.

Adjourned at 2:36 p.m.

Next Meeting: June 8, 2011, Spruce Room, East Building

2011 Meetings

Jan 12	Feb 9	Mar 9	Apr 13	May 11	Jun 8
Jul 13	Aug 10	Sep 14	Oct 12	Nov 9	Dec 14