



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: July 16, 2014 **Time:** Noon **Place:** Copper Room, East Bldg.

Board Members

(Attendees=x)

xBrad Jenkins (Chair)	xRyan Cooper (Co-Chair)
xGordon Wright	xCraig Crawford
xLt. Kati Booth	Peter Stevens
xStephen Aina	xBrett Barratt (Non-voting Member)

Staff

xPerri Babalis	xCathy Burton	xSuzette Green-Wright
xJilene Whitby		

Public

Wayne Carlos	Kathy E. M	Gary Walton
Jamie Slaker	Brian Cogburn	Annette Jones
Kasey Dodger		

MINUTES

- **General Session (Open to the Public)**
 - **Welcome**

Brad welcomed Stephen Aina as new member of the board.

 - Mr. Aina took the Oath of Office.
 - Mr. Aina signed the Confidentiality and Non-disclosure Agreement.
 - **Annual Review of Open Meetings' Act / Perri**

Perri reviewed the Summary of Key Provisions of the Open and Public Meetings Act with the Board and attendees.
 - **Adoption of Minutes for April 9th and April 24th / Chair**

Motion by Gordon to approve both minutes, Craig seconded it and the vote was unanimous.
 - **Executive Session –There was no need for an Executive Session.**
 - **Licensing Report for April through June / Cathy**
 - Licenses are good until August 14. Agencies are required to file financial documents, including their line of credit by July 15. Cathy called 20 agencies to remind them of what they needed to file. Six agencies have submitted incomplete renewals and one has failed to renew. These agencies have been notified of their failure to renew properly. There is a penalty for late and incomplete filings. The agency that failed to renew is in the process of doing so.
 - Garry asked about 17 unpaid judgments, two exceeded 14 days to respond. Were they fined for being late? Cathy has to wait for courts to notify her when they receive payment. All judgments have been paid.
 - Garry said one case was referred for unprofessional conduct. Where was it referred? Suzette said the Fraud Division. The Department will monitor it. The Fraud Division has a backlog but will work on it as soon as possible.

- **Summary of Enforcement Reports / Cathy**
 - **Applications / Cathy**
 - **Fast N' Furious Bail Bonds**
 - ✓ Surety backed. Clean background. Principle has over 2000 hours with Morgan Bail Bond Agency. Morgan became inactive in 2007. No issue with the name.
 - ❖ Gordon asked if the Department had checked on the Fast N' Furious Bail Bonds name. Perri said she had checked with Corporations, who had approved the name and neither they nor the Insurance Department found a reason in the code to deny it. Perri said his concern was noted. As long as Board members act within the scope of their duties they will not be liable for suits brought regarding the approval of an agency name. Brad also expressed concern with trademark violation. Perri did not know of any trademark violations. Cathy said the Department of Commerce also approved the name.
 - ✓ Stephen asked why Morgan became inactive. Cathy said they did not renew. Brad asked if there was a time limit on the 2000 hour requirement. Suzette said there was not.
 - ✓ Brad asked for a vote to approve the application. Six voted in favor, a unanimous vote.
 - **Pappas Bail Bonds**
 - Surety backed. Meets 2000 hour requirement. No issue with the name. His father owns Thomas Pappas Bail Bonds. That agency will remain in business until their book of business is eliminated. They are in the process of transferring ownership of the family business to their son. Brad asked for a vote in favor of the application and received a unanimous vote of six.
 - **Agency Audit Update**
 - Cathy is conducting audits and reviewing bail forms.
- **Summary of Planned Court Visits / Cathy**
 - Visited the Davis County Jail. Unlicensed bail bond agencies on reader board, which she asked them to remove, and they did.
 - A few jails had received requests from bail agents to link them on the jail's website. This is a violation of the advertising law. Cathy will notify jails about this.
 - Mantua and Box Elder County Jail are using the Bail Association List (List).
 - Summit County Jail is using the List.
 - Wasatch County Jail is using the List and reader board.
 - Duchesne County Jail uses the List and has a reader board that had a couple of unlicensed agencies on it. She asked them to remove them.
 - Uinta County Jail has their own list that they rotate monthly. She will check to make sure they create their list from the Department website.
 - Daggett County was not using a list. They had placards. She removed them. Cathy will check back to be sure they have an appropriate list.
 - She still needs to visit Rich County Jail.
- **New Business - None**
- **Old Business**
 - **Changes to Rule R590-186-8 Were Put into Effect 3-26-2014 / Brett**
 - Brett verified that the rule changes were put into effect 3-26-2014.
 - **2015 Legislation / Brad & Brett / Perri**
 - Perri said all changes discussed so far are in the document distributed. Many of the changes come from HB199 that was filed at the 2014 Legislature but not heard. A meeting was held in June with industry and Department members. There are three areas of change the industry wanted:

- to 31A 35-406 to renew every two years;
- to 31A-35-608, regarding maintenance of records.
- to Title 77, Chapters 20 and 20B, to clarify the use of the word “bail bond surety” and “surety.” The term surety is confusing and broad and needs to be consistent. Brett was impressed with progress already made and cooperation of parties involved.
- **Other Business**
 - **Elect Chair and Co-Chair** / Perri
Gordon nominate Brad to remain Chair and Craig to be Co-Chair. Six voted in favor, making it unanimous.
 - **Pawn Shop Second Hand Merchandise** / Brett
Brett said Glen Minson of the Department of Commerce, who is responsible for the Pawn Shop Second-Hand Merchandise law, has sent information about this law to bail bond agencies. Only one license is required by an agency that has multiple locations.
 - **Ethics Classes**
Cathy invited anyone interested in an ethics class to get with her after the meeting. She also suggested having them after the Board meetings. Brad suggested having them in conjunction with her audits.
- **Adjourned:** At 12:42 Ryan made a **motion** to adjourn, vote was unanimous.
- **Next Meeting:** October 8, 2014, Spruce Room, East Building

2014 Meetings (Noon to 1:30pm)

~~Jan 8, 2014~~ ~~Apr 9, 2014~~ ~~Jul 9, 2014~~ Oct 8, 2014