



State of Utah

SPENCER J. COX
Governor

DEIDRE M. HENDERSON
Lieutenant Governor

Insurance Department

JONATHAN T. PIKE
Insurance Commissioner

Bail Bond Oversight Board Meeting
(<https://insurance.utah.gov/licensee/other/bail-bond/board>)

Date: August 10, 2022

Place: In Person

Virtual

Time: 12:00 Noon

Taylorsville SOB
4315 S. 2700 W.
Big Cottonwood Room
Taylorsville, UT 84129

Google Meet

ATTENDEES

BOARD MEMBERS

xClay Carlos (Chair)
xDominic Sanone (Co-Chair)
xLt. Kacey Bates
Chad Woolley

xTony Choate
xBonnie Johnson
xCurt Oda
xReed Stringham (Non-Voting)

DEPARTMENT STAFF

Jon Pike, *Insurance Commissioner*
xRandy Overstreet, *Licensing Manager*
xSteve Gooch, *PIO Recorder*

Tracy Klausmeier, *P&C Dir.*
xPerri Babalis, *AG Counsel*

xTatiana Karaivanova, *Finance*
xShelley Coudreaut, *AG Counsel*

PUBLIC

Henry Chandra
Todd Harris
Melody Jenkins
Vivian White
Stephanie Kramer
Josh Massey

Skip Pappas
Bert Christenson
Gerald Conder
Larry Nowak
Christie Ellis
Clyde Stevens

Julia Pappas
Gordon Wright
Steve Brown
Gary Walton
Dyon Flannery

MINUTES — Approved

General Session (Open to the Public)

- Welcome / Clay Carlos, Chair (12:22 pm)
- Telephone roll call
 - Attendance code #1: **839037**
 - Dominic emailed Steve after the meeting saying he attended but could not be heard on the meeting.
- Adoption of Minutes for April 13 meeting
 - **Motion by Tony 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 / Tatiana

- Tatiana is a financial analyst for the UID and is presenting the accounting report in Patrick's stead.
- In Q4, there were \$4,500 in revenues and \$1,307.11 in expenditures.
- For FY2022, the beginning balance was \$37,556.11, and the ending balance is \$40,729.49.
- This is an increase of \$3,173.38.
- Total expenditures for the year were \$4,576.62, and total revenues were \$7,750.
- Clay asks if the \$4,500 were licensing fees. Steve says yes.
- **Motion by Curt to accept report. Seconded by Tony. Motion passes 4-0, 1 no vote.**
 - Yea: Curt, Tony, Bonnie, Clay
 - Nay: None
 - No vote: Kacey
- **New Business**
 - Refresher on attendance codes / Steve
 - Steve says teleconferences were really chaotic at the beginning with so many people on the call. The UID decided to give a code at the beginning and another at the end that attendees would send in as proof they attended the whole meeting. It has worked pretty well, but there has been some confusion about them.
 - Steve says the best way to be counted as attending a meeting is sending Steve the codes. That way there's an email as proof that they attended.
 - The second-best way is to attend the meeting using a computer. That way the attendee shows up on the video as attending, and the attendee's name shows up in the attendance report Steve gets after the meeting.
 - If someone calls in by phone, the attendance report shows the area code and last two digits of each phone that called in. The UID can use that if the phone number matches the phone number on the license. The problem with that happens if someone calls in on a cell phone or a phone that isn't the business phone. Those numbers wouldn't match up, and the UID couldn't use that as proof.
 - Clay says that makes sense, and it's good to know there are some fail-safes for those who didn't understand the code situation.
 - Steve says the UID doesn't want to put anyone out of business, so they're trying to figure out ways to help people show that they attended.
 - Henry Chandra asks if the meeting attendance link and phone numbers will be in the emails going forward. Steve says yes, and he has been including them as long as the board has been meeting electronically. He doesn't put them in the body of the email, but includes them in the agenda he attaches to the emails. He does that because the information is different every time and the agenda has to be posted on the Public Notice website. He finds that it's easier to just put it on the agenda and let everyone know it's on the agenda, but if everyone wants him to cut and paste it into the email, he can do that as well. He figures if people are looking at the agenda to see the topics anyway, it will be right there.
 - Annual bail bond agency renewals / Randy
 - Randy notes that there's an error on the attached renewal list. The bottom shows three agencies that haven't completed the renewal process and mistakenly shows 007 Bonds as letting their license lapse. That is incorrect. It is Freedom Bail Bonds that will be letting their license lapse. 007 Bonds and Pappas Bail Bonds both intend to apply for reinstatement.
 - 007 Bonds and Pappas Bail Bonds will use their attendance at today's meeting to complete the qualifications, along with the reinstatement application. Once the license expires on August 14, they can submit the reinstatement application.
 - Freedom Bail Bonds is letting their license lapse.
 - All of the other 26 agencies have submitted everything they need to complete the renewal process. This includes submitting the renewal application through Sircon, attending a meeting

prior to July 15, showing the proper evidence whether surety or collateral backed. All requirements are satisfied, and are able to renew. The statute requires that the Bail Bond Board make a recommendation to renew the licenses of the agencies that have satisfied the requirements.

- Reinstatements need to be recommended by the board as well. The next regular board meeting is in October, so the UID is recommending that a special meeting be held next week to consider any reinstatement applications that are submitted.
 - Curt asks if 007 and Pappas will be using today's meeting for the current renewal, will they need to attend another for the next renewal. Randy says that's correct. They will need to attend another meeting before July 15 to qualify for next year's renewal.
 - Curt asks if the Board can do a motion today recommending approval if the reinstatement applications are completed by a specified future date.
 - Todd Harris asks if the agencies need to resend the filings or just the reinstatement application to be considered for reinstatement. He says he sent much of it in previously. Randy says they could consider the things the UID has already received, but they would need the reinstatement application and the reinstatement fee. He notes that any fee already paid is nonrefundable. The reinstatement fee is the cost of an agency renewal plus \$50, so a total of \$310 to reinstate.
 - Todd asks if agencies need to reappoint their agents, since the license is effectively terminated and will automatically terminate agent appointments. Randy says yes. Any agency that becomes inactive will have all of its appointments to carriers and agents terminated, and they will have to be reappointed. The agency would have the burden of reinstating their license and getting affiliations with insurers and agents put back into place. They can do this for agents in Sircon, but they would have to contact the insurer to be reaffiliated with the insurer.
 - Curt asks if they can do a motion today to give preapproval for agencies that get everything in by August 17. Perri says the motion would have to be conditional, that if certain things are done in the right times, the board gives its preapproval. There's discussion what specific date would be the deadline.
 - Clay says he would prefer holding a meeting next week because he doesn't want to have any open ends, wondering if someone got their paperwork in or not and then having to wait until October. He suggests letting them get the paperwork in and then scheduling the meeting.
 - Perri says that as we're looking right now, these two licenses will lapse on August 14, and the agencies can't write business until the reinstatement application is approved. Randy says that's correct, and the two agencies are in attendance and have assured Randy that they will get everything in as soon as the license lapses. Reinstatement applications can't be turned in until August 15, because the licenses are currently active.
 - Todd notes that the reason 007 and Pappas' license are lapsing is because he had difficulty connecting on a couple of different occasions. He says he appreciates what the UID is doing to try to help the industry, but we all understand that technical difficulties happen, and he and Skip Pappas are victims of that. He suggests having additional ways to meet the requirement.
 - **Motion by Curt to recommend approval of the renewal list as corrected. Motion passes 4-0, 1 no vote.**
 - Yea: Curt, Kacey, Bonnie, Clay
 - Nay: None
 - No vote: Tony
- **Old Business**
 - **Other Business**
 - Annual board member training / Perri
 - The Open and Public Meetings Act (OPMA) requires that all boards be trained on the Act annually.
 - The purpose of the OPMA is to ensure that the state's business is done openly and publicly.

- Notice of a meeting must be given 24 hours in advance, and must include the date, time, and place of the meeting. It must be posted on the Public Notice website and the meeting location. It must include an agenda that includes specific topics to be discussed. An item not on the agenda can be discussed if raised by the public, but cannot be voted on. Curt notes that changes to the agenda require 24 hour notice as well.
- The board must keep written minutes and an audio recording. The recording of the open portion must be posted within 3 days, draft minutes must be posted within 30 days, and once minutes are approved, they must be posted within 3 days.
- Closed meetings can only occur if there's a motion, if 2/3 of the quorum approve the reason for the closed meeting, and if there's a valid reason to enter a closed meeting. There are several valid reasons for a closed meeting, but the ones that most pertain to the Bail Bond Board are to discuss a person's character, competence, or health; to discuss pending or imminent litigation; or to investigate proceedings to discuss criminal misconduct. If a meeting is closed, the board must announce and record in the minutes the reason for the meeting, and the only vote that can be taken in a closed portion is a vote to reopen the meeting. Any other votes must happen in the public portion of the meeting.
- Emergency meetings do not require 24 hour notice, but an attempt must be made to notify and contact all board members. Perri notes that a reinstatement is not an emergency meeting, it's an additional meeting being called by the chair. An emergency is something unanticipated that needs to be handled right away.
- Electronic meetings can be held if the body adopts procedures for an electronic meeting. The Bail Bond Board has done so. There's a new requirement to include how a remote member is considered for a quorum. **Perri requests an agenda item about the bylaws for how a board member attending remotely is considered for purposes of a quorum.** An anchor location is required for an electronic meeting. The chair can decide if there's a threat to health or safety, set forth the facts relied upon in that determination, and the board must notify how a person can attend the meeting. The pandemic that we've been living under for the past two years and how we held meetings during it is a case where there would be no anchor.
- If someone violates the provisions of OPMA, the acts can be voided by a court, and violating a closed portion can be charged with a class-B misdemeanor.
- Key amendments from the last legislative session are about establishing a quorum for electronic meetings, and that all votes taken during an electronic meeting are done by roll call. How we did it today with people saying their names and votes is good, but so is the chair going down the list of board members and asking for their vote. The important part is knowing how each member votes.
- Reed asks Perri to review the bylaws and create something with proposed changes to the bylaws for the board to vote on at the October meeting. Perri says yes.
- Elect chair and vice chair
 - **Motion by Curt to keep Clay as chair and Dominic as vice chair. Motion passes 5-0.**
 - Yea: Curt, Kacey, Bonnie, Clay
 - Nay: None
 - No vote: Tony
- Meeting attendance requirement / Gordon Wright
 - Gordon asks the board to consider removing the requirement for agencies to attend a board meeting. He says the requirement was put in when meetings were held 12 times a year, they were easier to attend, and the board was more involved. It's archaic now and needs to be removed.
 - Clay agrees in part and disagrees in others. He'll entertain other comments.
 - Perri says the attendance requirement is in statute, so the statute would have to be amended to take it out.
 - Reed says he remembers the board debating the meeting requirement not too long ago and that they decided to keep it. The UID is willing to listen to both sides of it.

- Clay says many meetings aren't informative, but there's an option to call in that's fairly convenient. He wouldn't be in favor of ending the requirement but things change. While they may not be interesting now, they may be important in the future.
 - Todd says that, as a real estate broker, he is required to take 18 hours of continuing education classes every two years, but they can be done at their convenience and on video. He suggests having a means for people who miss the meeting to review the meeting for credit. That could be a compromise. **Curt likes that suggestion and asks that it be put on the agenda for October.**
- **Adjourned** (1:32 pm)
 - Attendance code #2: **024615**
 - **Motion by Tony to adjourn. Seconded by Curt. Motion passes 5-0.**
 - Yea: Curt, Tony, Clay, Bonnie, Kacey
 - Nay: None
 - **Next Meeting:** October 12, 2022 — Big Cottonwood Room, Taylorsville State Office Building

2022 Meetings (Noon to 1:30pm)

January 12, 2022	April 13, 2022	August 10, 2022	October 12, 2022
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