



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: September 14, 2011 **Time:** Noon **Place:** Spruce Room
East Building behind Capitol

Board Members

(x=Attendees)

xBrad Jenkins (Chair)	xRyan Cooper
xGordon Wright (Co-Chair)	xCraig Crawford
Megan I. Corrent	xLohra Miller
xPeter Stevens	

Staff

xBrett Barratt	xSuzette Green-Wright	xPerri Babalis
Xtracy Klausmeier	Xbrad Tibbitts	Jaimee George
Xjilene Whitby	x Randy Overstreet	

MINUTES

General Session (Open to the Public)

- **Welcome & Install New Member – Ryan Cooper / Chair, Brad Jenkins**
 - Began meeting at 12:05pm.
 - Administered the Oath of Office to Ryan.
 - New Board members signed Confidentiality & Nondisclosure Agreement.
 - Brett Barratt, department's new deputy commissioner, introduced himself.
- **Adoption of Previous Meeting Minutes / Chair**
 - Lohra made a **motion** to approve the minutes without change, Craig seconded it and the vote was unanimous.
 - Lohra made a **motion** to move to Executive Session, Peter seconded it and the vote was unanimous.

Executive Session - (Closed to the Public)

General Session (Open to the Public)

- **Approve Recommended Actions from Executive Session (if needed)**
- **Applications - None**

Old Business

- **R590-196 Changes Re: Agents Depositing Premium in Agency Account / Perri**
Suggested changes need to be moved to Rule R590-186. The language needs to include time limit for putting money into the account and then sending it to the surety. Gordon asked that the language regarding where the money is to go remain in the rule. Perri will take comments then make the changes prior to the next meeting.
- **Additional Fees & Possible Changes to R590-196 / Tracy**
Tracy asked if fees needed to be changed. They must be listed on the disclosure form. Late night fees, travel fees, phone call fees, etc., can be added to the premium. No one wanted to add them to the disclosure fees. All were happy with the fees as they are. Take off the agenda.

New Business

- **Prohibited Bail Bond Advertisements Bulletin** / Suzette
 - Suzette provided background to a new, proposed, Prohibited Bail Bond Advertisement bulletin. It describes advertisement prohibited around jails and courthouses. The department would like board and industry input. Jails are no longer using placards. Lohra noted that there could be a difference between soliciting and advertizing. Solicitation is done in person.
 - Possible advertizing and soliciting examples were brought up:
 - Advertizing on a t-shirt;
 - Person sitting at the door of a court or jail and grabbing people as they leave;
 - On cars parked at jails.
 - Soliciting as defined in Chapter 23a applies only to that chapter, not 35.
 - Gordon said there are machines that collect premium and issue bonds at jails and courts. Jail gets kickback from their sales. Machines handle cash bail for which there is a fee. Lohra noted that those that own the machines would have had to go through the RFP process before being allowed to set them up.
 - Suzette will look into the machines and Perri will look at legality of charging a fee.
- **\$3 Rule** / Gordon

Section 31A-23a -402.5 allows for up to \$25 for social courtesy, like flowers for a funeral or marriage and taking a client to lunch after the sale of a policy. It cannot be the condition of a sale. Licensees can give anything valued up to \$3 to anyone. The bulletin will be released after being reviewed by office staff, legislators who pushed the passage of 31A-23a-402.5, and the Board. Perri suggested people review 31A-23a-402.5(6) and Rule R590-154 to understand \$25 and \$3 gifts.
- **Pre-licensing & CE** / Randy Overstreet
 - Four hours of pre-license training is now law. The code requires every individual applying for a license have CE. There are no CE providers. The association has agreed to create a course.
 - Todd said two courses have been prepared but have not been approved yet.
 - Peter noted that to renew a license the licensee must take CE, not the owner of an agency. Suzette asked if there were any agency owners that were not agents. Yes, the owner of Rocky Mountain Bail Bonds. The way the code is now everyone must take CE.
 - Randy said there was another solution to not having CE courses. Repeal the education requirement.
 - Currently classes must have 50 minutes of instruction out of 60. Licensees could take ethics courses provided for other lines of insurance.
 - Lohra suggested pre-recorded on-line classes like the bar. Set up live class streaming with an instructor. Suzette said they could collect information about dates and times of classes being done.

Other Business

Adjourned: Gordon made a motion to adjourn at 1:50pm, Lohra seconded it and the vote was unanimous.

Next Meeting: October 12, 2011, Spruce Room, East Building

2011 Meetings

Oct 12 Nov 9 Dec 14