

NATIONAL CONFERENCE OF INSURANCE LEGISLATORS
INSURANCE LEGISLATORS FOUNDATION BOARD MEETING
DUCK KEY, FLORIDA
NOVEMBER 20, 2008
MINUTES

The Insurance Legislators Foundation Board of the National Conference of Insurance Legislators (NCOIL) met at the Hawk's Cay Resort in Duck Key, Florida, on Thursday, November 20, 2008, at 3:30 p.m.

Rep. Brian Kennedy of Rhode Island, president of the Board, presided.

Other members of the Board present were:

Rep. Robert Damron, KY
Sen. Alan Sanborn, MI
Rep. George Keiser, ND
Sen. James Seward, NY
Rep. Kathleen Keenan, VT

Other legislators present were:

Sen. Carroll Leavell, NM
Rep. Charles Curtiss, TN
Rep. Gini Milkey, VT

Others present were:

Susan Nolan, NCOIL Executive Director
Candace Thorson, NCOIL Deputy Executive Director
Mike Humphreys, NCOIL Director of State-Federal Relations
Jordan Estey, NCOIL Director of Legislative Affairs & Education, Life, Health, and Workers' Compensation Insurance

MINUTES

Upon a motion made and seconded, the Board voted unanimously to approve the minutes of its July 10, 2008, meeting in New York City.

ADMINISTRATION

FINANCIAL REPORT

Following discussion of issues regarding use of ILF funds, the Board adopted the June 30, 2008, and September 30, 2008, unaudited ILF financials.

RESOLUTION REGARDING ILF SCHOLARSHIPS

Rep. Damron overviewed his concerns regarding state legislators' ability to travel to NCOIL meetings during the economic crisis. He said many states had initiated travel freezes or restrictions. Upon a motion made and seconded, the Board adopted a proposed *Resolution to Promote*

Scholarship Opportunities that recognizes current state budget challenges and supports expanding the ILF scholarship program and apprising state insurance legislators of scholarship availability.

2009 STUDY PROPOSALS

Ms. Thorson overviewed previous ILF interest in developing a study on state auto safety best practices. She said the report would address passenger restrictions for younger drivers, black boxes, roundabouts, distracted driving, and red-light cameras, among other things. She discussed funding issues and noted the possibility of collaborating with the Advocates for Auto and Highway Safety. Rep. Kennedy said the issue was interesting but perhaps too broad for an ILF study.

Ms. Nolan said airbag fraud was an issue of emerging interest. Howard Goldblatt of the Coalition Against Insurance Fraud described Coalition efforts to address the subject, as well as ways in which people commit airbag fraud.

Rep. Keiser commented on airbag fraud in the context of already-existing state fraud laws and prosecutions and questioned the need for an ILF study. Mr. Goldblatt and Ms. Nolan said that few states had airbag-specific laws. Mr. Goldblatt said that airbag information was incomplete and that airbag schemes, due to their nature, may not fall under anti-fraud statutes. He suggested, in response to a comment from Sen. Leavell, that NCOIL might choose to adopt airbag fraud model legislation or to recommend that states revise their fraud laws to more specifically address airbag concerns. He and Steve Casscles of the New York Senate then outlined the history of a 1987 New York State airbag law.

Legislators determined that, in lieu of an ILF study, the NCOIL Property-Casualty Insurance Committee should address the issue.

At the request of Rep. Kennedy, Ms. Nolan outlined a proposal to extend a 2007 ILF *Study on State Insurance Authority: Making a Case for Proper Insurance Oversight*, which focused on the authority granted to, and real-life roles of, players who impact state insurance regulation. She said the study also set forth a strategic agenda to enhance state oversight.

Ms. Nolan said the proposal to extend the study was submitted by James Schacht, a principal author of the report. The proposal, she said, recognized current federal efforts to preempt state insurance oversight, as well as the ability of state regulation to weather the financial crisis. Ms. Nolan said the proposal supported increased NCOIL funding to help NCOIL continue its role in preserving state regulation, and specifically recommended diverting funds from the NAIC to NCOIL. The Board determined not to pursue the proposal.

ELECTION OF ILF BOARD AND OFFICERS

Ms. Thorson said the current Board President was Rep. Kennedy, Vice President was Sen. Seward, and Secretary/Treasurer was Rep. Damron. She said other Board members included:

Sen. Alan Sanborn, MI
Rep. George Keiser, ND
Sen. William J. Larkin, Jr., NY
Rep. Craig Eiland, TX
Rep. Kathleen Keenan, VT

Ms. Nolan reported that, under ILF bylaws, the Board should be comprised of nine (9) members. She said the bylaws also require that an ILF Board member must, at the time of his or her election, be a member of a state legislative committee assigned insurance-related bills.

Following discussion, the Board amended ILF Bylaws Article III, Section 3.01 to remove the provision requiring a Board member to sit on an insurance-related committee.

The Board also revised Section 3.02 of Article III to require that membership on the Board not exceed 11, rather than nine (9).

The Board then adopted the following slate of officers:

President:	Sen. Seward
Vice President:	Rep. Damron
Secretary/Treasurer:	Rep. Keiser

Legislators also elected Sen. Leavell to the Board and chose to extend Rep. Kennedy's membership.

ADJOURNMENT

There being no further business, the meeting was adjourned at 4:15 p.m.