

NATIONAL CONFERENCE OF INSURANCE LEGISLATORS
BUSINESS PLANNING AND EXECUTIVE COMMITTEE
CHICAGO, IL
JULY 15, 2017

The National Conference of Insurance Legislators (NCOIL) Business Planning and Executive Committee met at the InterContinental Magnificent Mile on Saturday, July 15 at 11:45 a.m.

Chair of the Committee, Rep. Steve Riggs of Kentucky presided

Members of the Committees present:

AR. Sen. Jason Rapert, Vice-Chair	Rep. Don Flanders, NH
Rep. Deborah Ferguson, AR	Asw. Maggie Carlton, NV
Asm. Ken Cooley, CA	Sen. Neil Breslin, NY
Rep. Martin Carbaugh, IN	Sen. Bob Hackett, OH
Sen. Travis Holdman, IN	Sen. Jay Hottinger, OH
Rep. Joe Fischer, KY	Rep. Marguerite Quinn, PA
Rep. Greg Cromer, LA	Sen. Roger Picard, RI
Rep. George Keiser, ND	Sen. Mike Hall, WV
Sen. Jerry Klein, ND	

OTHER LEGISLATORS PRESENT:

Rep. Bart Rowland, KY

ALSO PRESENT:

Commissioner. Tom Considine, NCOIL CEO

Paul Penna, Executive Director, NCOIL Support Services

Will Melofchik, Legislative Director, NCOIL Support Services

2019 LOCATIONS

Rep. Riggs asked Commissioner Considine to discuss meeting options for Spring 2019. Cmsr. Considine noted the possibility of not having a full NCOIL spring meeting and replacing it with a one day briefing in conjunction with the NAIC on the same day the IIPRC meets. However, because of some unsettled irons in the fire on multiple fronts he suggested that NCOIL have a 2019 spring meeting in Tennessee. Rep. Riggs instructed staff to come up with locations.

Commissioner Considine noted there were a few locations in California for consideration for the 2019 Summer Meeting and asked Asm. Cooley, to share his thought on Newport Beach or Long Beach. Asm. Cooley noted that Newport Beach is the gold coast of California and an and elegant place to be with many amenities. Long Beach is a dynamic city and both are easily accessible by Los Angeles or John Wayne Airport. Asm. Cooley said he thought everyone would enjoy Newport Beach better between the two choices. Sen. Rapert said he had used John Wayne airport and agreed with Asm. Cooley. Asw. Carlton asked the hotel brand of the Newport Beach property and was advised it is a Marriott. She shared that Marriott is entering some labor negotiations now that may prove difficult, and many legislators in the Nevada legislature and elsewhere will be sensitive to that, and suggested consideration of a union hotel

where this is not an issue. Rep Riggs asked the staff to take it under advisement for future location but noted that we are discussing a 2019 meeting and would expect any current labor issue to be resolved by then. A motion was made to accept the report of a 2019 spring meeting in Tennessee and the 2019 summer meeting in Newport Beach, CA by Rep. Cromer and seconded by Rep. Flanders. The motion carried.

RECRUITMENT OF NEW MEMBER STATES

Rep Riggs described his recruitment program and urged chairs and vice chairs to participate. He stated that Rep. Santiago, Vice Chair of the Florida Insurance House Committee told him that NCOIL is the best kept secret and he is intent on getting Florida more involved. Rep. Riggs noted that quick success does not happen and to just keep plugging at it and not be frustrated. We know as legislators that it's better to be contacted than not. He highlighted the work to date on some states including Sen. Rapert reaching out to Alabama committee chairs, NY Assemblymembers Cahill and Barclay co-signing a letter to committee members in New Jersey and Delaware, Senator Picard sending letters to committee members in Rhode Island and Massachusetts, Senator Holdman working with his IEC partner for Missouri, the outreach Rep. Riggs did in North Carolina calling several legislators, Rep. Kito reaching out and setting up calls with the relevant chairs in Washington and Oregon.

Rep. Riggs welcomed Minnesota Rep. Joe Hoppe who advised that Minnesota will become a Contributing State. Rep. Riggs thanked Hoppe for his work in making this happen and advised him he will become a member of the Executive Committee. Rep. Riggs also noted that Wisconsin is becoming a Contributing State. Rep. Riggs discussed our IEC partnership. Sen Rapert discussed that it can be a financial hardship for legislators to attend. There were 17 first time lawmakers at this meeting and not all of them were on scholarship. One such example was Sen. Mendoza, chair of the California Senate Insurance Committee. Rep. Riggs shared with the committee that he met with the first-time legislators at the legislative micro-meetings. Assemblywoman Carlton asked that Health Committee chairs be invited so they understand the insurance dynamics.

ADMINISTRATION

Commissioner Considine reported 311 Meeting Registrants, 22% increase, 70 Legislators 40% year-over-year. It was the best attended Summer meeting in at least the last 10 years.

9 scholarships from states including:

Florida, Idaho, Mississippi, Kansas, Hawaii, Connecticut

8 Insurance Departments represented and 4 Insurance Commissioners - Mike Kreidler, Washington; John Doak, Oklahoma; Ken Selzer, Kansas and Eric Cioppa, Maine.

Commissioner Considine announced that the DC Education Fly in was finalized in the previous 12 hours and will be on September 19 with dinner the night before.

FINANCE

Mr. Penna noted that as of 6/3 NCOIL revenue was \$556,881.51, which was \$180,00 above year-to-date projections and expenses were \$414,661.31 and were \$21,000 under year-to-date projections for an excess of \$142,220.20, which is currently \$44,000 over projections.

13 states or chambers had paid their dues as of 7/13 for a total of \$125,000 to date.

Asm. Cooley made motion to accept the report and Rep. Carbaugh seconded the motion. It carried on a voice vote.

NON-CONTROVERSIAL CALENDAR

HEALTH, LONG-TERM CARE AND RETIREMENT ISSUES COMMITTEE

Rep. Riggs stated that the committee agreed to extend the re-adoption of the Healthcare Balance Billing Disclosure Model Act until the Annual Meeting in November due to the drafting of Sen. Seward's Health Model Law.

He also reported that the Health, Long-Term Care and Health Retirement Issues Committee took the following action for Executive Committee consideration:

A motion was made to affirm the Air Ambulance Resolution sponsored by Asm. Cahill by Rep. Botzow and seconded by Rep. Cromer and adopted by a voice vote.

PROPERTY & CASUALTY COMMITTEE

Rep. Riggs stated that the follow model laws were adopted or re-adopted by the committee:

Certificates of Insurance Model Act.

Model Act Regarding Use of Insurance Binders as Evidence of Coverage

Auto Insurance Fraud Model Act

Asbestos Bankruptcy Trust Claims Transparency Model Act

Sen. Hackett made a motion that was seconded by Rep. Quinn and the models were accepted.

Rep. Riggs stated that the committee agreed to extend the re-adoption of the Model State Uniform Building Code until the Annual Meeting in November so that the Committee and Oklahoma Insurance Commissioner John Doak could work on amendments to improve it.

LIFE INSURANCE AND FINANCIAL PLANNING COMMITTEE

Rep. Riggs stated There were minor amendments made to the Secondary Addressee Model Act. A motion was made by Sen. Holdman and seconded by Sen. Hottinger and was approved by the Executive Committee.

FINANCAL SERVICES INVESTMENT PRODUCTS COMMITTEE

Rep. Riggs stated there was a Resolution sponsored by Sen. Holdman in Support of an Exemption for Community Banks from Onerous and Unnecessary Regulations. Motion was made by Sen. Holdman and seconded by Sen. Hackett and carried unanimously. Sen. Holdman asked that staff prepare a press release. Commissioner Considine assured him we will and are not shy about press out of the NCOIL national office.

CONSIDERATION OF MODEL ACT TO SUPPORT STATE REGULATION OF INSURANCE THROUGH MORE INFORMED POLICYMAKING

Asm. Cooley stated in New Orleans there was consideration of a resolution to support state regulation of insurance through more informed policymaking. As legislators, the power of the people rests in the legislature. At that meeting it was shared that the NAIC has 13 models that are required for state accreditation of insurance departments and that creates tension between legislative branch and the executive branch. NAIC generating model laws and baptize them as good to go. It's an important issue that legislators need to consider so they are not.

In California, we asked NAIC for briefing and told by NAIC staff that the Insurance Commissioner needs to extend invite and Commissioner refused. Lawmakers need to be more informed about what they do – it's a delegation of authority.

This proposal is a model that Insurance departments should be supportive of funding so legislators can attend NCOIL meetings. There were wrinkles identified in New Orleans about imposed costs to insurance companies, Because of the tension internationally Asm. Cooley stated he believes they would be well served to back up state based regulation and be more adaptable.

Senator Holdman stated there are multiple issues we need to deal with. Holdman raised the issue of joint-task force of model laws. While he was initially uncertain of how it would be received, he noted the NAIC members present seemed open to the idea. Sen. Holdman stated the task force would operate and both NCOIL and NAIC meetings and be tasked with formulating model laws. It is unlikely to stop the NAIC from proposing models, so we should work together and they cannot do it without us.

Sen. Holdman pointed to one NAIC model never adopted in any jurisdiction. Think there is merit to working together and maybe it forces cooperation. Sen Hackett agreed.

Rep. Botzow, on the topic of the proposed Cooley model said this is basically what is done in Vermont. It is very workable and keeps the Appropriations Committees from nickel and diming the travel and NCOIL dues. He also suggested including a "designee" in the drafting process that is not necessarily the chair or vice chair with a goal of building as deep a bench as possible.

Asm. Cooley thanked everyone for the excellent suggestions and stated he would have language ready for the annual meeting. In the present climate, it's important to formalize a process with federal and international encroachment so we can work together.

Rep. Riggs thanked Asm. Cooley and said NCOIL is gaining momentum and looks forward to the report in Phoenix.

OTHER SESSIONS

Rep Riggs reviewed the NCOIL Summer Meeting including:

An informative legislative luncheon on the Role of Rating Agencies from Dr. McCollough of Florida State University.

Fundamentals of Insurance for new legislators and policy makers. Very well attended and highly informative.

Rep. Cromer suggested that the Griffith Foundation would come to statehouses and offer the fundamentals of insurance program. Rep. Riggs stated we've entered into a partnership with Griffith to do just that.

There were great guest speakers including Chicago Deputy Mayor Andrea Zopp, IL Senate Insurance Chair Joe Mulroe and luncheon keynote speaker and former Agriculture Secretary Dan Glickman.

ANY OTHER BUSINESS

Rep. Riggs reminded the Committee Chairs that officer nominations are open this summer and to contact Paul Penna at the NCOIL National Office for the application.

ADJOURNMENT

There being no other business, Sen. Rapert made a motion to adjourn that was seconded at Asm. Cooley. The meeting concluded at 12:28 p.m. CT.